Chair will state that there is an order to that effect.

Mr. ALLEN. That it be called up when?

Mr. ROBERT C. BYRD. That would be when the leadership wishes to call it up.

The PRESIDING OFFICER. At the discretion of the leadership.

Mr. ALLEN. Is there a time limit on it?

Mr. ROBERT C. BYRD. No.

Mr. ALLEN Very well, then; when it is called up, I will then call for the House message to be considered.

Mr. ROBERT C. BYRD. The Senator may resort to any options that he has.

Mr. ALLEN. Yes, sir.

Mr. ROBERT C. BYRD. And the leadership will do likewise

Mr. ALLEN. Well, I understood the Senator, in colloquy——

Mr. ROBERT C. BYRD. The Senator has made his position clear.

I do not see why we have to hem and haw about this.

Mr. ALLEN. I understood the Senator, in colloquy, to say there would be plenty of time Monday to consider the Senator's substitute.

Mr. ROBERT C. BYRD. Hopefully.

Mr. ALLEN. Well, he did not say hopefully before. He said there would be plenty of time.

Mr. ROBERT C. BYRD. If the Senator wants to haggle over words, he may do so.

Mr. ALLEN. The right to consider the substitute is not haggling.

Mr. ROBERT C. BYRD. I would hope the Senator would save his haggling for Monday, and let Senators go home for tonight.

The PRESIDING OFFICER. Is there objection to——

Mr. ALLEN. I object.

The PRESIDING OFFICER. Objection is heard.

RECESS UNTIL 9 A.M. ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, if there is no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until 9 o'clock on Monday morning.

The motion was agreed to and at 6:47 p.m. the Senate took a recess until Monday, August 30, 1976, at 9 a.m.

CONFIRMATION

Executive nomination confirmed by the Senate August 27, 1976:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Thomas L. Lias, of Iowa, to be an Assistant Secretary of Health, Education, and Welfare.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

HOUSE OF REPRESENTATIVES—*Monday, August 30, 1976*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Fear not, for I am with you; be not dismayed for I am your God; I will strengthen you; yea, I will help you.—Isaiah 41: 10.

Almighty and eternal God, we turn to Thee at the beginning of a new day praying that by Thy spirit it may be the beginning of a new life for us. Make us men and women of vision and valor ready with clear minds, courageous hearts, and clean hands to meet the challenges which come to us and to carry the responsibilities which are ours. Grant that we may cultivate more than ever the spirit of justice, liberty, and good will among our people and among the nations of our world.

May the peace of Thy presence fill our hearts as we commit ourselves to Thee and to the highest good of our beloved country.

In the spirit of the Master we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 9153. An act granting the consent of Congress to the New Hampshire-Vermont interstate sewage waste disposal facilities compact.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 3884. An act to terminate certain authorities with respect to national emergencies still in effect, and to provide for orderly implementation and termination of future national emergencies; and

H.R. 13713. An act to provide for increases in appropriation ceilings and boundary changes in certain units of the National Park System, and for other purposes.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 3084. An act to amend and extend the Export Administration Act of 1969 to improve the administration of export controls pursuant to such act, to strengthen the antiboycott provisions of such act, to amend the Securities Exchange Act of 1934 to enhance the investor disclosure provisions of that act, and for other purposes;

S. 3395. An act to authorize appropriations for the construction of the Uintah unit of the central Utah project;

S. 3779. An act for the relief of Mrs. David C. Davis; and

S.J. Res. 206. A joint resolution providing for a National Leadership Conference on Energy Policy to be held during 1977.

The message also announced that the Vice President, pursuant to Public Law 94–280, appointed Mr. WILLIAMS, Mr. HARTKE, Mr. GRAVEL, Mr. TOWER, Mr. PEARSON, and Mr. BUCKLEY as members on the part of the Senate, of the National Transportation Policy Study Commission.

PERMISSION FOR SPEAKER TO DECLARE RECESS ON SEPTEMBER 23, 1976, FOR PURPOSE OF RECEIVING IN JOINT MEETING THE PRESIDENT OF LIBERIA

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Thursday, September 23, 1976, for the Speaker to declare a recess for the purpose of receiving in joint meeting the President of Liberia.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERMISSION FOR COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT TO SIT TODAY DURING 5-MINUTE RULE

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the Committee on Standards of Official Conduct may be permitted to sit today during proceedings under the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

MAJORITY LEADER THOMAS P. O'NEILL, JR., SAYS PRESIDENTS MESSAGE ON PARKS IS POLITICAL POLLUTION

(Mr. O'NEILL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. O'NEILL. Mr. Speaker, I see that President Ford has suddenly become an environmentalist.

Just as Congress heads into the homestretch, the President says he is going to send up a big new parks bill—a billion and a half dollars for parks in the next 10 years.

If Congress had passed a bill like that last February, the President would have vetoed it. Just like he vetoed two strip mining bills. And the wildlife refuge bill. And TVA pollution control, rural conservation, and coal leasing which we overrode earlier this month. That is President Ford's veto-riddled record on the environment.

Until now, the environment has meant nothing to this Republican administration except big business exploitation.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

Now President Ford is trying to exploit the environment for votes. He has invented a new kind of mining in national parks.

The President made his announcement in the right place. In front of Old Faithful geyser. It was hard to tell who was spouting the most hot air.

I want to welcome President Ford back from his vacation. I hope that he will join with the Congress in combating this new threat to the environment—political pollution.

CALL OF THE HOUSE

Mr. DAVIS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 670]

Abzug	Ford, Tenn.	Moorhead, Pa.
Alexander	Forsythe	Murphy, Ill.
Ambro	Frey	Murphy, N.Y.
Anderson, Ill.	Fuqua	Neal
Andrews, N.C.	Giaimo	O'Hara
AuCoin	Gilman	Paul
Badillo	Gonzalez	Pepper
Bell	Green	Peyser
Boland	Gude	Randall
Brown, Mich.	Hawkins	Rangel
Chappell	Hays, Ohio	Rees
Chisholm	Hébert	Regula
Clancy	Heckler, Mass.	Riegle
Clausen, Don H.	Heinz	Risenhoover
Clay	Helstoski	Rodino
Cohen	Hinshaw	Ruppe
Collins, Ill.	Holland	Sarasin
Conlan	Jacobs	Sebelius
Conyers	Jarman	Shriver
Cornell	Jeffords	Sisk
Cotter	Jones, Ala.	Staggers
D'Amours	Jones, Okla.	Stanton, James V.
de la Garza	Jones, Tenn.	Steelman
Dellums	Karth	Steiger, Ariz.
Dickinson	Kazen	Stuckey
Diggs	Keys	Sullivan
Dodd	LaFalce	Teague
du Pont	Landrum	Thornton
Eckhardt	Lehman	Ullman
English	McCloskey	Vander Veen
Esch	McDade	Wirth
Eshleman	McEwen	Wydler
Evans, Colo.	Maguire	Wylie
Evins, Tenn.	Matsunaga	Young, Alaska
Fish	Mikva	Young, Ga.
Fithian	Mills	Zeferetti
	Mink	

The SPEAKER. On this rollcall 322 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

LEGISLATION DESIGNED TO CLEAR THE WAY FOR PRESIDENTIAL DEBATES

(Mr. JOHN L. BURTON asked and was given permission to address the House for 1 minute, to revise and extend his remarks and to include extraneous material.)

Mr. JOHN L. BURTON. Mr. Speaker and Members of the House, today I am going to introduce a piece of legislation which would clear the way for nationally scheduled debates between President Ford and Governor Carter.

This bill would, for this year only, provide that financing those nationally televised debates would not be considered contributions as they apply to the Federal election law. This would permit the League of Women Voters to sponsor these debates. They are in the public interest, and the Federal Election Commission should permit these debates to go on.

I thank the Members for their attention.

PERMISSION FOR SUBCOMMITTEE ON WATER RESOURCES OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO MEET THIS WEEK DURING 5-MINUTE RULE

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Water Resources of the Committee on Public Works and Transportation be permitted to meet this week during the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, would the gentleman inform me as to whether this subcommittee will be marking up any bills?

Mr. ROBERTS. If the distinguished gentleman would yield to me, I will say that we have some 77 major projects. This is the week when Members testify and bring their delegations before the subcommittee. Some of them are coming a considerable distance, and we have a short week.

Mr. ROUSSELOT. So, the gentleman can assure us that this is primarily for hearings?

Mr. ROBERTS. It will be strictly for hearings. We are a long ways off.

Mr. ROUSSELOT. Mr. Speaker, I appreciate the gentleman's remarks, and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

SUPPLEMENTAL SECURITY INCOME AMENDMENTS OF 1976

Mr. CORMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 8911) to amend title XVI of the Social Security Act to make needed improvements in the program of supplemental security income benefits.

The SPEAKER. The question is on the motion offered by the gentleman from California (Mr. CORMAN).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 8911, with Mr. BERGLAND in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on Thursday, August 26, 1976, the amendment in the nature of a substitute was considered as having been read and open to amendment at any point.

Pursuant to the rule, no amendments are in order to the bill or to the amendment in the nature of a substitute except amendments offered by direction of the Committee on Ways and Means and germane amendments printed in the CONGRESSIONAL RECORD at least 2 legislative days prior to the consideration of said bill for amendment. Said amendments shall not be subject to amendment except those offered by direction of the Committee on Ways and Means and pro forma amendments.

Are there further amendments to the amendment in the nature of a substitute?

AMENDMENT OFFERED BY MR. CORMAN

Mr. CORMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CORMAN: On page 21 (of H.R. 15080), after line 5, insert the following new section (and redesignate the succeeding section accordingly):

EXCLUSION OF CERTAIN ASSISTANCE PAYMENTS FROM INCOME

SEC. 18. Section 1631(b) of the Social Security Act is amended by inserting "(1)" after "(b)", and by adding at the end thereof the following new paragraph:

"(2) No part of any benefit paid to an individual under this title for any month beginnning before October 1, 1976, shall be considered an overpayment by reason of assistance paid under any provision of law with respect to a dwelling unit in which such individual was living if, under section 2(h) of the Housing Authorization Act of 1976, the value of assistance paid under that provision of law would not be considered as income or a resource for purposes of benefits under this title on or after that date.".

Mr. CORMAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. CORMAN. Mr. Chairman, this amendment deals with exclusion of certain assistance payments from income. The amendment would prevent the Social Security Administration from recovering any overpayment that was made to an SSI recipient prior to October 1, 1976, because they had benefited from Federal rent subsidies. This amendment is complementary to a provision in S. 3295, a bill that has been signed by the President, to extend and modify certain housing programs under the National Housing Act. The provision prevents reduction of SSI benefits after October 1, 1976, if the recipient benefits from Federal rent subsidies.

It has come to our attention that there have been some recomputations because the regulations have not been complied with. We do not want the SSI to go through some very expensive recomputation programs and to cut back on SSI payments.

Mr. VANDER JAGT. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I yield to the gentleman from Michigan (Mr. VANDER JAGT).

Mr. VANDER JAGT. I thank the gentleman for yielding to me.

Mr. Chairman, I wholeheartedly concur in what the gentleman is trying to achieve. I have just one question. Is it the gentleman's intention that HEW shall not be expected to reopen cases in which retrieval of cases relating to housing assistance has already been achieved?

Mr. CORMAN. That is exactly correct.

Mr. VANDER JAGT. Mr. Chairman, with that clarification, I enthusiastically support the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. CORMAN).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. FRASER

Mr. FRASER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FRASER: On page 21 (of H.R. 15080), after line 5, insert the following new section (and redesignate the succeeding section accordingly):

MAINTENANCE OF STATE SUPPLEMENTATION

SEC. 18. (a) Title XVI of the Social Security Act is amended by adding immediately after section 1617 the following new section:

"OPERATION OF STATE SUPPLEMENTATION PROGRAMS

"SEC. 1618. (a) In order for any State which makes supplementary payments of the type described in section 1616(a) (including payments pursuant to an agreement entered into under section 212(a) of Public Law 93-66), on or after June 30, 1977, to be eligible for payments pursuant to title XIX with respect to expenditures for any calendar quarter which begins—

"(1) after June 30, 1977, or, if later,

"(2) after the calendar quarter in which it first makes such supplementary payments, such State must have in effect an agreement with the Secretary whereby the State will—

"(3) continue to make such supplementary payments, and

"(4) maintain such supplementary payments at levels which are not lower than the levels of such payments in effect in December 1976, or, if no such payments were made in that month, the levels for the first subsequent month in which such payments were made.

"(b) The Secretary shall not find that a State has failed to meet the requirements imposed by paragraph (4) of subsection (a) with respect to the levels of its supplementary payments for a particular month or months if the State's expenditures for such payments in the twelve-month period (within which such month or months fall) beginning on the effective date of any increase in the level of supplemental security income benefits pursuant to section 1617 are not less than its expenditures for such payments in the preceding twelve-month period."

(b) Section 401(a)(2) of the Social Security Amendments of 1972 is amended—

(1) by inserting "(subject to the second sentence of this paragraph)" immediately after "Act" where it first appears in subparagraph (B), and

(2) by adding at the end thereof the following new sentence: "In determining the difference between the level specified in subparagraph (A) and the benefits and income described in subparagraph (B) there shall be excluded any part of any such benefit which results from (and would not be payable but for) any cost-of-living increase in such benefits under section 1617 of such Act (or any general increase enacted by law in the dollar amounts referred to in such section) becoming effective after June 30, 1977.".

(c) The provisions of this section shall be effective with respect to benefits payable for months after June 1977.

Mr. FRASER (during the reading). Mr. Chairman, I have furnished the minority with a copy of the amendment, and they have it. I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. FRASER. Mr. Chairman, this amendment would require that, starting on July 1 of next year, States "pass through" to recipients cost-of-living increases in Federal SSI benefits. Our amendment says, in effect, that States cannot reduce expenditures for SSI at the expense of recipients.

Mr. Chairman, we have had a problem in our own State. In recent years, this Congress has enacted increases in SSI of $20. Our State government has put $10 of that in its pocket. The people who are supposed to get this money have not received it, and they are falling increasingly behind in the rising cost of living.

If the amendment here is adopted, it will require that the States actually see that the beneficiaries get the money.

Mr. Chairman, I am offering this amendment on behalf of my colleagues, the gentleman from Massachusetts (Mr. O'NEILL), the gentlewoman from New York (Ms. HOLTZMAN), and the gentleman from New York (Mr. BINGHAM).

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. I thank my colleague for yielding.

Mr. Chairman, I hope my name can be added to that also. I heartily support this amendment. I think it is most desirable.

Mr. FRASER. Mr. Chairman, I am delighted to have the gentlewoman's support in respect to the amendment and I appreciate very much the gentlewoman's comment.

Mr. Chairman, there is just one other point I want to make. Some of our colleagues circulated a letter which implied that the budgetary impact of this might be as much as $55 million. That is simply not true. The budgetary impact for fiscal year 1977 is $1.9 million, which is well within the budget allocation for purposes of this legislation. Starting in fiscal 1978 the budgetary impact of the amendment would be roughly $7 million a year.

We have circulated to our colleagues a copy of a letter from the Congressional Budget Office certifying to the correctness of the figures I have just given.

Mr. Chairman, I hope we will adopt this amendment and make sure that the blind, the disabled, and the elderly get the cost-of-living increases they deserve.

Mr. VANDER JAGT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the arguments made for this amendment as it is presented are that it is in a way innocuous, that it is a fair amendment, and that it is an inexpensive amendment. In reality, it is far from innocuous, it is devastating to the very purpose of the SSI program, and it is far from fair.

This amendment would permanently grind into the law a blatant unfairness toward 3 States, and although it is inexpensive, since it would cost approximately $1.9 million as to this coming fiscal year, the cost increases 400 percent in fiscal year 1978. The reason why it is relatively inexpensive in the coming fiscal year is that it only applies to one-quarter of the year, but eventually the cost will go up to $55 million a year.

I will be glad to answer questions relative to those charges after I explain why this is the case. When this Congress in 1973, after 1 year of deliberations by the Committee on Ways and Means, adopted our only significant welfare reform, we said to the States, "As far as your programs for the aged, the disabled, and the blind are concerned, we, the Federal Government, will take them over, we will establish a uniform Federal minimum benefit program, and then, if you want to supplement in addition to that, that is your business on the basis of the needs of your people and the resources of your State."

So when we raise now the Federal floor which we established uniformly, the floor below which no disabled person would be able to fall, we are not saying anything about the specific benefits level as to the receipt of a specific recipient off in some State that chooses to provide supplemental benefits. We are speaking about the uniform Federal floor that shall apply across the board to all of our citizens.

This is what the Committee on Ways and Means said when it reported H.R. 1 to the floor in the 92d Congress.

The SSI program "leaves each State completely free either to provide no supplementation to Federal assistance payments or to supplement those payments to whatever extent it finds appropriate in view of the needs and resources of its citizens. Each State would also retain its freedom to revise at any time its terms and conditions as to what extent it would supplement Federal payments."

Mr. Chairman, this amendment repudiates that basic, underlying philosophy of H.R. 1 which was enacted by the 92d Congress and became the basis of our SSI program.

In addition, it does something worse than that. When we were selling it, there were recipients seven or eight States, so we said, "Wait a minute. We know the Federal payments that will be made under this new program will be less than the payments made under the old program, so," we said, "no recipient shall ever receive less than he was getting under the old program." To make sure that this would not happen, we guaranteed that the Federal Government would make up the difference between what the minimum Federal benefit payment is and what he used to be getting under the old program. So the recipients in those programs were getting the highest dollar of any recipients in America at no expense whatsoever to those States.

As the minimum Federal level has gradually raised, the amount that it takes

to make up the difference has been correspondingly reduced.

The latest example is with respect to the States of New York, California, and Nevada, which passed out of the hold-harmless program, effective with the Federal increase of July 1, 1976, saving the taxpayers $100 million a year. However, now along comes the last three hold-harmless States in America, Massachusetts, Wisconsin, and Hawaii. They say, "We do not want it to apply to our States the way it has to everyone else. We are going to lock in that difference as of August 1976. Therefore, even when the Federal payment level matches what it used to be and there is no difference, we still want $55 million a year because that is what the difference used to be back in August of 1976."

Mr. Chairman, if I were from New York, California, or Nevada, I would say, "That is really unfair. What is the magic about August 1976? Why should it not be June 1976 so that my State is part of this $100 million bonanza each year."

Mr. KINDNESS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. VANDER JAGT. Mr. Chairman, will the gentleman yield?

Mr. KINDNESS. I yield to the gentleman from Michigan.

Mr. VANDER JAGT. Mr. Chairman, I thank the gentleman from Ohio (Mr. KINDNESS) very much for yielding to me so that I may take about another 60 seconds to explain what is, indeed, a very complicated amendment.

The effect of this amendment, then, is that we would be subsidizing Wisconsin, Massachusetts, and Hawaii to the tune of $55 million a year to make up the difference when there is no longer any difference. The taxpayers of 47 States will be paying dollars to solve the problem in those 3 States, even when there is no problem.

Mr. Chairman, it is blatantly unfair to the taxpayers of the other 47 States. I point out that even without this amendment, every recipient in those States will be getting the top dollar that they were getting at no cost to that State. This is just a $55-million-a-year boondoggle.

Mr. Chairman, if we want to retain a modicum of respect as the most deliberative body in the world, we ought to reject this amendment because it is not innocuous; it is devastating. It is not fair; it is blatantly unfair, and it ultimately will cost us $55 million a year.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. KINDNESS. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I appreciate the gentleman's yielding.

I wonder whether my colleague, the gentleman from Michigan (Mr. VANDER JAGT), could explain why this would be devastating to California. Many of us want to be sure of the gentleman's rationale.

Mr. VANDER JAGT. Mr. Chairman, if the gentleman from Ohio (Mr. KINDNESS) will yield further so that I might respond, I will be grateful.

Until June of this year, California was in a hold-harmless category. The amount of the Federal benefit was below what it used to be under the old State program.

As of July 1 of this year, the cost of living raised the Federal minimum benefit payment so that it now equals what it used to be under the old program, so there is no longer a hold-harmless situation in California which, along with New York and Nevada, passed out of the hold-harmless situation and would not be benefited by this amendment.

Now along come Wisconsin, Massachusetts, and Hawaii, who say, "we do not want to be treated like California so that when there is no longer a difference, we no longer can be paid. We want to continue as we were."

That is why, Mr. Chairman, if I were from California, New York, or Nevada, I would say that that cutoff date ought to be June when we were getting $100 million a year in hold-harmless payments, not August, when we were not getting anything.

Mr. ROUSSELOT. Therefore, Mr. Chairman, what the gentleman is saying is that this is for the benefit of 3 States, does damage to 47 States, and is not equitable.

Mr. JOHN L. BURTON. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. CORMAN. Mr. Chairman, will the gentleman yield?

Mr. JOHN L. BURTON. I yield to the gentleman from California.

Mr. CORMAN. Mr. Chairman, I thank the gentleman for yielding.

Later I am going to ask my colleagues' attention so I can refresh their memory about what the effect of the hold-harmless provision really is. It was not quite accurately stated.

I hope that those who listened to that last colloquy will stay here so that in a later colloquy we can straighten out some of the complexities of it.

Mr. ROUSSELOT. Mr. Chairman, if the gentleman will yield, I can straighten it out now.

Mr. JOHN L. BURTON. Mr. Chairman, the reason California is not covered in here is because we passed a special law to deal with the problem.

I do not know how many Members have ever been members of State legislatures or how many Members have ever talked to senior citizens in their State. It is very difficult for the senior citizens to understand when they learn through the newspapers that they are getting an increase in dollars in a Federal program but all of a sudden, their total check is the same because the State reduces the amount.

They do not understand that. They want the additional money, it may be $7 or $10 or $15 but then when they get their paycheck it is the same old paycheck.

I have been to meeting after meeting and the people simply do not understand it. I try to explain to them that it is because that is how the law works. They say that it is a very unfair law.

I have to agree with them and I hope that the Members on both sides of the aisle here would agree with them because we are talking about elderly people who have to be poor to be on the program. We are talking about blind people and we are talking about disabled people, crippled and blind people receiving a cost-of-living increase funded by this Congress.

The Members know that we do not have to worry about letting them deduct moneys because we passed the revenue sharing bill and we have block grants and we have categorical aids, and so forth. Why should the elderly, the blind, and the disabled get ripped off so that the money goes into the State treasuries?

So I would say to the gentlemen from California, just in closing, and in a somewhat more moderate vein, because I fought this issue for 10 years in the State legislature and I get a little bit worked up over it, but California was taken care of and we are really giving the other States the same equity as California has. I think this is the very right thing to do. I say do not be conned by somebody saying, "If you are from California, there is no need for it, do not vote for it." But the people who were not from California, if they had not voted for it then our bill would not have passed.

Mr. ROUSSELOT. Mr. Chairman, if the gentleman will yield, will the gentleman respond to the point the gentleman from Michigan (Mr. VANDER JAGT) made that this amendment would provide an inequity except for three States? Why does the gentleman not respond to that?

Mr. JOHN L. BURTON. I am responding, I understand what the gentleman says that some States do not benefit from the cost-of-living increase in certain areas, and the Federal Government gives a cost-of-living increase and certain people do not receive it, some areas they do and in certain areas they are prevented from receiving it.

Mr. FRASER. Mr. Chairman, will the gentleman yield?

Mr. JOHN L. BURTON. I yield to the gentleman from Minnesota.

Mr. FRASER. Mr. Chairman, the cost-of-living increase to SSI recipients runs in the order of $400 to $500 million a year. Three States, however—Massachusetts, Wisconsin, and Hawaii—will receive no additional Federal funds unless we adopt this amendment. The reason is that while we increase the basic Federal benefit payment, there is a corresponding decrease in the hold-harmless payment. What we give with one hand we take away with the other. Unless we pass this amendment, these three States will get not one penny in additional Federal funds to deal with the rising cost of living for the old people, the blind people, and the disabled people.

Mr. JOHN L. BURTON. Mr. Chairman, in closing, let me say that it is not the States that we are talking about, it is the people we are talking about.

Mr. ROUSSELOT. We all understand that.

Mr. JOHN L. BURTON. I was not sure the gentleman did from the statement he made.

Mr. O'NEILL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the

amendment offered by the gentleman from Minnesota (Mr. FRASER) of which I am a cosponsor.

The effect of this amendment is to require that the annual cost-of-living increase for SSI benefits be passed on to all recipients. Under the present system, cost-of-living increases are often absorbed by the States. Forty-five States can absorb it, or in some cases, it is the Federal Government itself that is denying that recipients will receive an increase in their SSI checks.

Mr. Chairman, when the SSI program was initiated in 1972, it was known as the income maintenance program for the aged, the blind, and the disabled. Nationally there are about 4½ million recipients of SSI benefits. Those that are receiving SSI supplements are the poorest of the lot. Nationally there are 1 million recipients of SSI supplements. In Massachusetts alone there are 130,000 people receiving Federal SSI benefits and State supplement.

In June of this year I sent a newsletter to my constituents. One of the items included in the newsletter was an announcement of the 6.4 percent cost-of-living increase for social security recipients and SSI recipients. As soon as the newsletter reached my constituents, the telephones were ringing off the hook in my Boston office with people telling me they did not receive the SSI cost-of-living increase. These people are the aged, the blind, and the disabled. I began looking into it, and I found it was true not only in Massachusetts but in other States. The situation is similar in Wisconsin and in Hawaii, and in 45 other States where the States do not want to pass through the money from the cost-of-living increase. So there are recipients in other States who will be impacted by this amendment.

When I voted for the annual cost-of-living increase for the SSI beneficiaries. I did not intend it to go into the State treasuries as it can in the 45 States, nor did I intend that it go into the Federal Treasury, as it does in three States: Massachusetts, Wisconsin, and Hawaii.

Nationally there are 4½ million aged, blind, and disabled recipients of SSI. Only the neediest of this group receive the supplementation. Nationally this is about 1 million people. These are the people who will benefit from this amendment—130,000 people in my State alone.

The Director of the Congressional Budget Office, Alice Rivlin, has reviewed the Fraser-O'Neill amendment and has estimated that the cost for fiscal year 1977 will be $1,900,000. As a member of the Budget Committee, I can tell the Members that this amendment is well within the congressional budget resolution. This amendment has been specifically endorsed by the National Council of Senior Citizens and by the AFL–CIO. I believe it lost in full committee by one vote. Additionally, the chairman of the Public Assistance Subcommittee, the gentleman from California (Mr. CORMAN), realizes its merit, and supports it.

Mr. Chairman, I urge support for this amendment so that 1 million of our national elderly, blind, and disabled will receive the SSI supplement and will actually receive the cost-of-living increase, next July.

May I say there are, as I understand it, three classifications of States with regard to SSI: First, States giving just the Federal minimum, $167 as of July 1976, Texas and Wyoming.

Second. States giving the Federal minimum plus a supplement consisting totally of State funds: 45 States.

Third. States giving the Federal minimum plus a supplement. This is a question of whether or not we want to help the aged, whether or not we want to help the disabled, and whether or not we want to help the lame, at a time when a cost-of-living increase comes along, because of inflation and they are denied what the rest of the Nation gets.

I think the amendment is a fair amendment, and I certainly hope that it passes.

Mr. MATSUNAGA. Mr. Chairman, will the gentleman yield?

Mr. O'NEILL. I would be happy to yield to the gentleman from Hawaii (Mr. MATSUNAGA).

Mr. MATSUNAGA. Mr. Chairman, I am pleased to rise in support of the Fraser-O'Neill amendment, which seeks to pass the cost-of-living increases in supplemental security income benefits on to all SSI recipients in all States. As chairman of the Subcommittee on Federal, State, and Community Services of the Select Committee on Aging, I have been especially concerned about the welfare of older Americans who depend upon the benefits of the supplemental security income.

I do not believe that Congress in legislating the annual cost-of-living increases for the benefit of the poor, elderly, blind, and disabled intended to provide such increases to some and permit the increases for others to be converted into revenue sharing for the States where they happen to reside. This amendment will insure, to the extent possible, that the over 4 million SSI beneficiaries throughout the country will be treated equitably insofar as Federal cost-of-living increasess are concerned.

I am especially happy to see that the amendment addresses the dilemma of the hold-harmless States, such as my own State—the State of Hawaii. While almost all States which supplement payments save sufficient money to pass through the Federal increase, hold-harmless States like Hawaii, Massachusetts, and Wisconsin save nothing. Furthermore, the recipients themselves do not gain from the Federal increase. Rather, in these States the Federal expenditures actually drop because of the increases in social security benefits to SSI beneficiaries. For Hawaii to pass through the Federal cost-of-living increase to its SSI recipients, the State would have to pay 100 percent of the cost. Somehow, a situation which would necessitate the State to pay the price of a Federal cost-of-living increase—while the Federal expenditures decrease—seems most unfair. When such a situation is viewed in conjunction with the fact that Federal expenditures for SSI in non-hold-harmless States will increase as a result of the cost-of-living increase, the matter requires an equitable solution. I believe the Fraser-O'Neill amendment achieves such a solution.

I want to emphasize that this amendment requires the Federal Government to do no more in this instance for the elderly, blind, and disabled in my State than it would do for any other State in the Union.

I urge the Members from all States—including those from States which do not supplement and are not affected by this amendment, to support this proposal which will insure equitable treatment for all SSI beneficiaries insofar as the Federal cost-of-living increases are concerned.

I thank the distinguished majority leader for yielding.

Mr. O'NEILL. Mr. Chairman, I am in agreement with the gentleman from Hawaii.

May I say that the three States can never get an increase above the present level as the law is now written. The Fraser amendment is a good amendment.

Mr. STEIGER of Wisconsin. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I find myself in a somewhat difficult position since the State of Wisconsin is one of those States that are involved in the discussion of the Fraser amendment.

Perhaps it would be helpful to the committee if we stepped back for a minute. Under the old program for the aged, blind, and disabled, if my memory is correct, the Federal Government picked up the first and the last of the $10 or the dollars that were involved. Basically the support for what we now are calling SSI was a State function, not a Federal function. In 1972 when we undertook—and I think all the Members at the time understood it—a very profound change in the law, we federalized that program, and the impact of that decision to federalize was somewhat uneven. That is to say, a number of States such as Wisconsin and Massachusetts and Hawaii and California and New York had a payment level for their aged, blind, and disabled that was above that minimum floor established by the Congress in 1972. At the time the Congress said we will hold harmless those States so that at no point will a recipient get less than he or she received from the State partially supplemented by Federal funds.

Since that time we as a Congress and the Federal Government have increased that minimum payment level by virtue of cost-of-living increases.

What happens in a State such as Mississippi is that the people in that State receive more because the Federal Government pays the whole cost but in a State such as Minnesota or in a State such as Wisconsin the decision is a State decision.

I do not think I unfairly characterize the SSI program, may I say to my friend, the gentleman from California, in terms of its impact or in terms of what we have done.

Now we get to the decision on the Fraser amendment which would be in my judgment a serious step, a fundamental change in the law, because suddenly we are mandating in effect, uneven benefit payments. That is what the Fraser amendment comes down to. That is really the whole issue.

Should the Federal Government pick up and pay for more benefits in a State such as Wisconsin than it does for other States in the Union? That would be a profound change in the concept of a minimum benefit payment. It would mean that Wisconsin recipients would be paid more than recipients in other States, that payment coming from the Federal Government. It seems to me that the correct decision for this House would be to understand the implications of what we do today and to reject the Fraser amendment on this basis, that if the State wants to supplement above that minimum floor the States should be allowed to do so, but that is a voluntary decision.

Mr. Chairman, we ought not to mandate, as the Fraser amendment does, the States that now decide, as Illinois has decided, as Michigan has decided, as Minnesota has decided, I believe, not to pass on the cost-of-living increase, that that is a decision that the State must make; but the fundamental decision the Federal Government should make or understand and recognize is the extent to which we maintain an inequity in benefit payments.

Mr. FRASER. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from Minnesota.

Mr. FRASER. Mr. Chairman, we are voting an increase to the old, the blind, the disabled, because of a rise in the cost of living.

Is the gentleman arguing that we should say to the State legislatures, "Go ahead and put this money in the State treasuries and forget about these people?"

Mr. STEIGER of Wisconsin. No, sir.

Mr. FRASER. That is the effect of the gentleman's position.

Mr. STEIGER of Wisconsin. I do not think it is.

Mr. FRASER. Yes; it is, because that is what has happened in my State and I am sure it has happened in other States.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. STEIGER) has expired.

(By unanimous consent, Mr. STEIGER of Wisconsin was allowed to proceed for 1 additional minute.)

Mr. STEIGER of Wisconsin. Mr. Chairman, in spite of what it does to my State, in spite of what it does to the recipients potentially in my State, the basic decision we have to make this afternoon is whether it is fair for the Federal Government, and I underline Federal Government, to pick up the payment level above every other State in three States. That is the whole issue of the Fraser amendment as it is; also, as to whether or not we say to the States, "You must pass through."

Please understand, no recipient across the country loses if we vote down the Fraser amendment; but the Federal Government will lose. The concept of a federalized program will be undone if this is adopted.

Mr. Chairman, I hope the amendment is defeated.

Mr. CORMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, public assistance laws are terribly complex; but I think we may have managed to misinterpret more in less time on this one than ever. Hold harmless has nothing to do with individual benefits. There is a section in the law which says that no beneficiary may receive less under SSI than under the previous program.

Hold harmless has to do with how much a State must contribute to the cost of SSI benefits in their State. We said when we wrote the SSI law that if a State did not increase their benefit levels above their January 1972 levels that we would hold them harmless from case load increases. It does enable hold-harmless States to pass through Federal cost-of-living increases, except at State expense.

The State of California and 5 other States did not keep their benefit levels at that point. The Federal SSI cost-of-living increase gradually replaced the hold harmless. In three States that has not happened; but we are really looking at the little piece of the pie and ignoring the big one, that is, the requirement that all States pass through the Federal cost-of-living increase.

Hold harmless will cost annually about $10 million.

Now, what we are saying to the States is that if the Federal Government requires all of them to increase their individual benefit levels, we will absorb that cost in the hold-harmless States. They still must put in all they are putting in now; but if we are mandating a $10-a-month increase, we will pay for it, because in the other 47 States that is exactly what we are doing. We are mandating an increase, but we are paying for that increase; so the other 47 States do not pay an additional penny. They pay whatever the supplement is demanding of them.

First of all, the gentleman from Michigan is totally correct in the original philosophy of what this was, that the Federal Government actually increase the benefits, and that eventually nobody will need to supplement the Federal benefit. Of course, SSI recipients cannot eat philosophy.

Let us look at what people are living on. In New Hampshire, the aged and blind person is getting $170 per month from both Federal and State governments. If the State would have passed through the SSI increase, the SSI recipient would be receiving $180.10. That is the great bulk of this amendment. It has very little to do with hold harmless.

We are saying that we believe that when we look realistically at the tiny number of dollars that the aged, blind, and disabled have to live on, we ought to, in a sense, require of the States to maintain their effort. Many States go beyond that. Our own State pays a cost of living on its portion.

We do not tell the States that they have to do that. We say, "When we in Congress decide that there has been a cost-of-living increase and we are going to give $10 more per head, go ahead and give it to the beneficiary. Do not cut back by $10 that little bit of other supplement." That is the thrust of this amendment.

The hold harmless is merely to say to all of the States, "We are not going to, by Federal law, require you to spend more dollars than you are now spending. We will not let you spend less, we will not require you to spend more." If we will do that for all 50 States, we have to deal with the three hold-harmless States.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Chairman, I thank the gentleman for yielding to me. As the gentleman in the well knows, I am in favor of this concept, particularly apropos of the remark relative to the fact that if we do give $10, we are going to pass that through and make sure that it goes to the recipient. I wonder if the gentleman in the well will tell me why he supports only $3 to the State of California.

Mr. CORMAN. The gentleman is referring to the food stamp proposal. The gentleman knows that California was a cash out State, and California had written into its State supplement $14 of State money.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent Mr. CORMAN was allowed to proceed for 5 additional minutes.)

Mr. CORMAN. The State of California wanted to continue to be a cash-out State on the theory, first, that it costs a lot to administer the food stamp program; and second, many of the beneficiaries do not get them. So, they said, "We would like to pass through $17 per month, and for that buy the right to continue to be a cash-out State."

It is a very different kind of argument from this one. The State of California will never be affected by this Congress decision on passthrough, or at least so long as they have their current philosophy, because they do pass through a percentage increase related to cost of living. We are not demanding that of any State. We say, "Just pass it through the Federal portion, which the Federal Government pays for."

Mr. KETCHUM. I just wanted to hear what the explanation was, because we argued this at some length just a few weeks ago.

Mr. CORMAN. But that was an entirely different subject matter. That had to do with whether or not we were going to let California continue to pay cash instead of food stamps.

Mr. MATSUNAGA. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. Of course, food stamps have nothing to do with the Fraser amendment. I wish to thank the gentleman from California for the clar-

ity which he has brought to the amendment now pending.

Mr. CORMAN. I thank the gentleman.

Mr. KETCHUM. Mr. Chairman, if the gentleman will yield further, in response to the gentleman from Hawaii, the bill had a lot to do with it. It did not just deal with food stamps. It said to California, "You have a choice of giving food stamps or cash out."

My amendment to this particular bill said that is how a pass of $10 through is done in the State of California, and the bill we have before us allowed the Governor of the State of California to pass through only $3 rather than the total amount.

Mr. FRASER. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I yield to the gentleman from Minnesota.

Mr. FRASER. Mr. Chairman. I especially want to thank the gentleman for underscoring the fact that this debate about three States obscures the real purpose of this amendment. This amendment deals with all 50 States, and the hold-harmless provision is incidental to the amendment. Without our amendment, the three States would have to pay for future increases with State funds.

Mr. O'NEILL. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I yield to the distinguished majority leader.

Mr. O'NEILL. Mr. Chairman, may I just say that when the Federal Government voted cost-of-living increases for SSI beneficiaries, we did not intend that they revert to the State treasury; nor was it intended that they revert to the Federal Treasury, as in three States, including Massachusetts.

Mr. Chairman, I am absolutely in agreement. I am happy to be a cosponsor of the amendment, along with the gentleman from Minnesota (Mr. FRASER) and I want to thank the gentleman, a member of the subcommittee, for the excellent job he has done in informing the membership as to this issue because it is a terrifically difficult issue to explain to the Congress. This SSI is highly technical. I want to thank the gentleman.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I yield to the gentleman from New York.

Mr. BINGHAM. Mr. Chairman, I rise to express my support for the so-called passthrough amendment offered by my distinguished colleagues, Mr. FRASER and Mr. O'NEILL. It seeks to insure that SSI recipients in all States will receive future cost-of-living increases in benefits as intended by Congress under Public Law 93-368 enacted in August 1974. This law in practice fell far short of its promise. SSI recipients in certain States which supplement SSI Federal benefits did not receive the cost-of-living increases because the States decided to use all or part of the increase to limit their financial participation in what they perceived rightly or wrongly as a Federal program. Consequently, the announcements sent by the Federal Government informing SSI recipients that they would receive cost-of-living increases became a cruel hoax to those living in these States. In my State of New York the problem was especially acute because the cost of living was rising at a faster rate than nationally. Since New York was a hold-harmless State receiving a special supplemental hold-harmless payment from the Federal Government which was reduced every time there was a Federal cost-of-living increase, it did not receive any additional Federal money to "pass through" to SSI recipients in New York. What was already a cruel hoax for recipients became a cruel hoax for hold-harmless States. I am proud to say, however, that New York State and its local governments did on humanitarian grounds reach down in their already depleted treasuries to provide partial cost-of-living increases to SSI recipients in 1975 and in 1976. This cost them $34 million and $10 plus million respectively. I am sure my colleagues in the House are aware that this is money which New York State and her local jurisdictions can ill afford.

Many members of the New York delegation and other States faced with a similar situation sponsored corrective "passthrough" legislation in 1974, the first year of the program's operation. The legislation—H.R. 14419 and others, 93d Congress—was developed by myself, Ms. ABZUG, Ms. HOLTZMAN, and our former colleague and now Governor, Mr. Carey. While the passthrough provision in H.R. 14419 had the same purpose as the Fraser-O'Neill amendment before us today, it had one important difference. It reaffirmed the Federal responsibility for providing cost-of-living increases in the basic Federal SSI benefit by insuring that that increase would be paid in full by the Federal Government and not at the expense of State and local governments who were supplementing benefits.

In 1974 we obtained 70 cosponsors for our proposal from more than 20 States. When no action was taken in the last Congress on this important matter, we pursued it in this Congress by reintroducing the legislation (H.R. 2891 et al.) which was sympathetically received by our distinguished colleagues on the Public Assistance Subcommittee. After extensive hearings last year, I was delighted that the subcommittee reported out H.R. 8911 with a passthrough provision similar to the one we were advocating. However, this amendment was rejected by the full Ways and Means Committee by a vote of 16 to 14, presumably because of its $155 million cost.

The Fraser-O'Neill amendment offered today is a compromise approach to the passthrough problem which meets the cost argument by delaying its effect to the cost-of-living increases beginning July 1977 after New York, California, and several other States have had their hold-harmless payments eliminated. As a New York Representative, of course, I am not happy that New York will not benefit from the permanent hold-harmless protection in the Fraser-O'Neill offered to those States remaining hold-harmless. But I am willing at this time for the sake of SSI recipients in my State to support a maintenance of State/local effort amendment proposed by Mr. FRASER and Mr. O'NEILL. I can only hope the next Congress will address the injustice done to New York and others who have had to increase their liability for aid to the aged, blind, and disabled over the past 2 years because of Federal cost-of-living increases. A comprehensive reform of welfare programs which assumes a long-overdue Federal responsibility for these programs is desperately needed. Poverty is a national problem which demands a national solution.

In case my grumbling has obscured my basic support for this passthrough amendment, let me assure my colleagues I support the Fraser-O'Neill amendment and have and do urge those from New York and other justly or unjustly affected States to support it. SSI recipients deserve to have their meager benefits protected from national increases in the cost of living. Let us resolve to end the "cruel hoax" now.

I would like to also add that I supported the related Pickle passthrough amendment adopted on a voice vote last week. It protects persons who received social security and SSI payments from losing their SSI and medicaid eligibility every time there is an increase in social security. How many of us can remember the anger of constituents when they found that a few dollars increase in social security meant the loss of hundreds of dollars in medicaid protection. In my own State, we were faced with groups of social security recipients affected trying to give their increases back to the Government in order to remain eligible for medicaid. This passthrough or disregard of social security increases is an issue close to my heart and represents an idea I have advocated in legislative proposals for many years. I understand a separate vote may be demanded on the Pickle amendment. I sincerely hope the House will reaffirm its support for this most important correction in the SSI program.

Ms. ABZUG. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I yield to the gentlewoman from New York.

Ms. ABZUG. Mr. Chairman, I rise in strong support of this legislation.

I want to commend both the chairman of this committee and the chairman of our subcommittee, the gentleman from New Jersey (Mr. ROE), for the enormous effort they have put forth and for the excellent job they have done here.

Mr. Chairman, I rise in support of H.R. 8911, the Supplemental Security Income Amendments of 1976. This bill is the culmination of a year and a half effort of reexamining the SSI program and learning from our constituents of the problems suffered in the implementation of this program. I commend Representative CORMAN and the members of the Public Assistance Subcommittee for responding to the urgent problems of our SSI recipients.

While the SSI program has been successful as a replacement for the patchwork of Federal programs that previously existed, for thousands of individual SSI recipients the program has been a bureaucratic nightmare. I am sure that other district offices, like my own, have received hundreds of complaints about lost or stolen SSI checks or about the delay in processing applications.

A year and a half ago I introduced H.R. 165, a comprehensive reform of the SSI program. I am pleased that many of my proposals have been adopted in H.R. 8911.

A major defect in the original SSI legislation was the lack of a procedure for providing emergency assistance to these aged, blind, and disabled individuals. These recipients have no other income or resources and depend solely on their SSI check to cover their monthly living expenses. Yet, replacement of a lost, stolen, or undelivered check sometimes took weeks or months. In the meantime, these individuals were often shunted back and forth between the social security office and the local welfare office without getting a check. The committee noted this continuing problem and has provided for payments by the State agency with Federal reimbursement for such assistance. This provision, similar to the one I introduced, will allow local public assistance officials to provide immediate cash to SSI recipients.

The provision of my bill modifying the requirements of third party payees for alcoholics and addicts has been incorporated almost intact in H.R. 8911. This change will allow these individuals an opportunity to exercise responsibility over their own affairs.

I also recommended more flexibility in the provision regarding the valuation of an individual's home, since it was not the intent of the Congress to exclude otherwise eligible individuals simply because of home ownership, particularly since the value may be the result of inflation and not readily convertible into cash.

My bill also was concerned with the inequitable situation of SSI recipients living in the household of another and the drastic reduction in benefits suffered. While this bill does not make any statutory changes, the committee report reiterates that those recipients contributing toward household expenses should not suffer a grant reduction.

Finally, I want to urge my colleagues to support the Fraser-O'Neill amendment which provides for a passthrough of Federal cost-of-living benefits to individual recipients. In my bill, H.R. 165, I provided for a similar passthrough.

The basic SSI benefit is far too low to assure a decent standard of living to our aged poor, particularly those who reside in urban areas. Some States, like New York, are providing additional supplementation, yet even this amount is not sufficient.

In response to this critical economic problem faced by the elderly, blind, and disabled, the Congress has provided a yearly cost-of-living increase in the amount of Federal benefits. Yet many States have pocketed this increase, either partially or in its entirety, to offset the cost of its own supplement.

We cannot attempt to solve the fiscal problems of our States by taking dollars out of the pockets of the helpless. These aged, blind, and disabled individuals are almost all living at or below the poverty level. The cost of food, housing, and transportation have increased rapidly and the 6.4-percent increase provided barely will keep pace with the rising cost of living. This amendment, beginning in 1977, requires all States, as a condition of receiving SSI funds, to pass this increase on to the recipients. By mandating this passthrough we will not be requiring the expenditure of additional funds by any State. We will be insuring that the intent of Congress is carried out and that these increases benefit SSI recipients in every State.

Passage of H.R. 8911 will insure that the needs of the aged, blind, and disabled are met and that they can continue to live in dignity.

Mr. CORMAN. Mr. Chairman, I urge my colleagues to adopt the Fraser amendment. It is a tiny number of Federal dollars for a tremendous number of very poor people. It does not precisely fit into the philosophy of 1972, but it means a little bit to a lot of people, and that little bit means an awful lot to them because when we go down to the grocery store next week we are probably going to spend $10 more than we spent 3 years ago. I woud like to see the beneficiaries get this money.

Mrs. HECKLER of Massachusetts. Mr. Chairman, I rise in support of the Fraser-O'Neill amendment to H.R. 8911, the Supplemental Security Income Amendments of 1976, and urge my colleagues to join with me in backing this important amendment.

Last month nearly 1 million elderly and disabled recipients of supplemental security income did not receive the cost-of-living increases which had been granted by the Federal Government. Although the Social Security Administration notified these recipients that they would receive a $10.10 increase in their monthly benefit checks, almost a million of them did not. Why? Because many States chose not to "pass through" the increase. Instead they used the Federal increase to decrease the amount of the States' supplemental payment to the recipients. In Massachusetts and two other "hold harmless" States the Federal increase was deducted from Federal payments to the State to support its level of supplementation.

When the Congress voted annual cost-of-living increases it did not intend that the increases go into State treasuries as is presently an option in 45 States, nor did it intend that the money revert to the Federal treasury as in the cases of Massachusetts, Wisconsin, and Hawaii. The Fraser-O'Neill amendment remedies this situation by requiring that starting July 1, 1977, all Federal SSI cost-of-living increases be passed through to the recipients for which they were intended.

The Fraser-O'Neill amendment will not require States to spend more for SSI; it merely prevents them from reducing expenditures when the Federal minimum benefit level is raised. In those States affected by the hold-harmless provisions of the 1973 Supplemental Security Income Act, such as Massachusetts, the amendment also prevents the Federal Government from cutting back its supplemental payments.

The Fraser-O'Neill amendment would insure that in Massachusetts nearly 130,000 elderly and disabled citizens would receive annual cost-of-living increases in their SSI checks, and in no State would these increases be denied to recipients as in the past.

Mr. Speaker, the facts speak for themselves. The present situation is neither equitable nor just, and I once again solicit the support of my colleagues for this essential amendment to H.R. 8911.

Mr. FRENZEL. Mr. Chairman, the amendment of the gentleman from Minnesota (Mr. FRASER) is an interesting and well-intentioned attempt to bring deserved equity to SSI recipients. It is very hard to argue that SSI recipients should not get full value for each cost of living granted by the Federal law.

However, the amendment has some undesirable effects. First, it freezes in variable benefits floors in various States which is contrary to the intention of the original law. Second, it imposes new restrictions on State legislatures contrary to the concepts of federalism.

Finally, it will cost the Federal Government an additional $10 million in this fiscal year because of "hold harmless" agreements with three States.

My preference in this case would be for the State legislatures to act responsibly in the first instance. I regret that so many States have invited this amendment by cutting their supplemental payments, and, in effect, taking the COL payments out of the pockets of SSI people and into the State treasuries.

Because there seems to be no other way to get the cost-of-living increases directly to recipients, I shall vote for the amendment.

Mr. DOMINICK V. DANIELS. Mr. Chairman, I would like to join with my fellow Members in supporting the amendment to H.R. 8911 being offered by Representatives FRASER and O'NEILL. The passage of their amendment would show that Congress really does care about the well-being of disadvantaged Americans and that we, the Representatives of the people of this Nation, are not willing to turn our backs on those Americans who need help. What my fellow Members must remember when considering this amendment is that in no way will it obligate States to increase their SSI expenditures. Rather, and this is why I support the amendment, it merely assures that SSI recipients will truly benefit from the cost-of-living increases granted to them by the Federal Government. Currently, when the Federal Government increases its SSI payment by including a cost-of-living increase, States will decrease their payment, and thus, keep the recipients' benefit at the same level. This type of action keeps SSI recipients at a severely depressed economic level, and deprives them of the opportunity to participate in the economic development of our country.

Granting the cost-of-living passthrough is the only equitable action that Congress can take. We have already passed legislation which allows California to provide this pass-through; it is time that we extend this throughout the country.

My fellow Members, we must pass this

amendment. It is unconscionable to think that Congress would continue to allow SSI recipients throughout the Nation to be deprived of necessary cost-of-living increases. These increases are necessary for people to merely survive while prices continue to rise. SSI recipients deserve fair treatment and it is up to Congress to see that they get it. I urge this House to accept this much needed amendment.

Mr. WHALEN. Mr. Chairman, I rise in support of the amendment being offered by the gentlemen from Minnesota and Massachusetts (Messrs. FRASER and O'NEILL). In August of 1974 the Congress provided for cost-of-living increases in the supplemental security income—SSI—program, equivalent to the percentage of increase in social security benefits. This amendment is designed to insure that the intent of that legislation not be distorted.

Too often, although these cost-of-living increases have been legislated, the elderly, blind and disabled never realize any increase in their SSI benefits. Instead, that increase is used to the advantage of the States which supplement the incomes of SSI recipients. This year 18 States in all have not "passed through" Federal cost-of-living increases, but have chosen instead to cut back all or a portion of their supplement to recipients of SSI.

Earlier this session over 100 of our colleagues cosponsored resolutions expressing the sense of the Congress that when cost-of-living increases in social security were granted, other means-tested Federal programs should not be cut back. The Committee on Veterans' Affairs acted promptly to provide increases in their programs as well as to raise income limitations. In June, we passed an amendment to the Housing Act which would prevent social security recipients from receiving automatic rent hikes at public housing projects as a result of the July increase in their social security checks.

We have here another opportunity to follow through on our intent to insure that increases triggered by our continuing skyrocketing cost of living do indeed reach those for whom they are intended—the aged, blind, and disabled who are forced to live on small, fixed incomes.

Thus, I strongly urge that this amendment to H.R. 8911 be adopted by this body and promptly enacted into law.

Ms. HOLTZMAN. Mr. Chairman, as a sponsor, together with Representatives FRASER and O'NEILL, of this amendment to assure cost-of-living increases to all SSI recipients, I strongly urge its passage.

Our amendment will allow the aged, blind, and disabled poor at least some hope of keeping up with inflation. It will guarantee that these most helpless people in our society receive the cost-of-living increases which Congress intended that they get and for which the Federal Government is already paying.

Two years ago, in response to the crushing effect of inflation on the elderly and disabled poor, Congress provided for annual cost-of-living increases in Federal SSI benefits. This year's increase, of $10.10 per month for an individual and $15.20 per month for a couple went into effect on July 1.

In at least 26 States, however, which have the great majority of SSI recipients, these people will receive only a portion of that increase, or no increase at all. Thus, for example, in New York State, the aged, blind, and disabled poor will not receive their cost-of-living increase until October 1. The 3-month delay may not seem like much, but to an elderly person forced to live on $218.55 a month—the current benefit in New York—an additional $10 monthly for food, transportation, or clothing can mean the difference between survival and despair.

Cost-of-living increases can be delayed or denied because most States supplement the basic Federal SSI benefit, and there is nothing to stop a State from lowering its supplement as the Federal benefit increases. In this way the State receives the financial benefit of a Federal cost-of-living increase and the recipients get nothing.

Our amendment would require that Federal cost-of-living increases be passed through to the aged, blind, and disabled poor. It would not require a State to increase its expenditure on SSI payments—indeed the amendment specifically provides that a State shall not have to spend more on SSI supplements in a particular year than it spent in the preceding one. But it would stop a State from taking the benefit of a Federal increase for itself.

As a Member of Congress from New York I know better than most the fiscal problems facing State and local governments. The Federal Government should bear a greater share of public assistance costs for both SSI and welfare. I have worked consistently toward this end and I will continue to do so.

I do not believe, however, that States should be allowed to take away a federally granted and paid cost-of-living increase in order to save money at the expense of the poorest, most helpless people in this Nation. Our amendment would prevent this cruel and unfair result. I urge my colleagues' support.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota (Mr. FRASER).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. VANDER JAGT. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Seventy-seven Members are present.

RECORDED VOTE

Mr. VANDER JAGT. Mr. Chairman, I withdraw the point of order that a quorum is not present, and I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 317, noes 52, not voting 62, as follows:

[Roll No. 671]

AYES—317

Abdnor	Allen	Anderson, Ill.
Abzug	Ambro	Andrews, N.C.
Adams	Anderson, Calif.	Andrews, N. Dak.
Addabbo	Annunzio	Armstrong
Ashley	Aspin	AuCoin
Bafalis	Baldus	Baucus
Beard, R.I.	Beard, Tenn.	Bedell
Bennett	Bergland	Bevill
Biaggi	Biester	Bingham
Blanchard	Blouin	Boggs
Boland	Bolling	Bonker
Bowen	Brademas	Breaux
Breckinridge	Brinkley	Brodhead
Brooks	Broomfield	Brown, Calif.
Buchanan	Burgener	Burke, Calif.
Burke, Fla.	Burke, Mass.	Burlison, Mo.
Burton, John	Burton, Phillip	Byron
Carney	Carr	Carter
Cederberg	Chappell	Clancy
Clausen, Don H.	Clawson, Del	Cleveland
Cochran	Conte	Conyers
Corman	Cornell	Cotter
Coughlin	D'Amours	Daniels, N.J.
Danielson	Davis	Delaney
Dellums	Dent	Derrick
Derwinski	Diggs	Dingell
Dodd	Downey, N.Y.	Downing, Va.
Drinan	Duncan, Oreg.	Duncan, Tenn.
Early	Edgar	Edwards, Ala.
Edwards, Calif.	Eilberg	Emery
English	Erlenborn	Evans, Ind.
Fary	Fascell	Fenwick
Fish	Fisher	Flood
Florio	Flowers	Foley
Ford, Mich.	Fountain	Fraser
Frenzel	Gaydos	Giaimo
Gilman	Goldwater	Gonzalez
Goodling	Gradison	Gude
Guyer	Hagedorn	Haley
Hall, Ill.	Hall, Tex.	Hamilton
Hanley	Hannaford	Harkin
Harrington	Harris	Harsha
Hayes, Ind.	Hechler, W. Va.	Heckler, Mass.
Hefner	Henderson	Hicks
Hightower	Holtzman	Horton
Howard	Howe	Hubbard
Hughes	Hungate	Hyde
Jacobs	Jarman	Jeffords
Jenrette	Johnson, Calif.	Johnson, Colo.
Johnson, Pa.	Jones, N.C.	Jones, Okla.
Jones, Tenn.	Jordan	Kasten
Kastenmeier	Kelly	Ketchum
Keys	Koch	Krebs
Krueger	Lagomarsino	Leggett
Lent	Lloyd, Calif.	Lloyd, Tenn.
Long, La.	Long, Md.	Lott
Lujan	Lundine	McClory
McCollister	McCormack	McDade
McFall	McHugh	McKay
McKinney	Madden	Madigan
Maguire	Mahon	Matsunaga
Mazzoli	Meeds	Melcher
Metcalfe	Meyner	Mezvinsky
Mikva	Milford	Miller, Calif.
Miller, Ohio	Mills	Mineta
Minish	Mink	Mitchell, Md.
Mitchell, N.Y.	Moakley	Moffett
Mollohan	Moore	Moorhead, Calif.
Morgan	Mosher	Moss
Mottl	Murphy, Ill.	Murphy, N.Y.
Murtha	Natcher	Neal
Nedzi	Nichols	Nix
Nolan	Nowak	Oberstar
Obey	O'Brien	O'Neill
Ottinger	Passman	Patten, N.J.
Patterson, Calif.	Pattison, N.Y.	Pepper
Perkins	Pettis	Pickle
Poage	Pressler	Preyer
Price	Pritchard	Quie
Railsback	Rangel	Regula
Reuss	Rhodes	Richmond
Rinaldo	Roberts	Roe
Rogers	Roncalio	Rooney
Rose	Rosenthal	Rostenkowski
Roush	Rousselot	Roybal
Runnels	Ruppe	Russo
Ryan	St Germain	Santini
Sarasin	Sarbanes	Scheuer
Schroeder	Schulze	Seiberling
Sharp	Shipley	Shuster
Sikes	Simon	Skubitz
Slack	Smith, Iowa	Smith, Nebr.
Snyder	Solarz	Spellman
Staggers	Stanton, J. William	Stark
Steed	Stokes	Studds
Sullivan	Symington	Talcott
Taylor, N.C.	Thompson	Thone
Traxler	Treen	Tsongas
Van Deerlin	Vanik	Vigorito
Walsh	Wampler	Waxman
Weaver	Whalen	White
Whitehurst	Whitten	Wiggins
Wilson, Bob	Wilson, Tex.	Wirth
Wolff	Wright	Wydler
Yates	Yatron	Young, Fla.
Young, Tex.	Zablocki	

NOES—52

Archer	Hansen	Pike
Bauman	Hillis	Quillen
Brown, Ohio	Holt	Robinson
Broyhill	Hutchinson	Satterfield
Burleson, Tex.	Ichord	Schneebeli
Butler	Kemp	Spence
Collins, Tex.	Kindness	Steiger, Wis.
Conable	Landrum	Stratton
Crane	Latta	Symms
Daniel, Dan	Levitas	Taylor, Mo.
Daniel, R. W.	McDonald	Teague
Devine	Mann	Ullman
Findley	Martin	Vander Jagt
Flynt	Mathis	Waggonner
Gibbons	Michel	Winn
Ginn	Montgomery	
Grassley	Myers, Ind.	
Hammer-schmidt	Myers, Pa.	
	Paul	

NOT VOTING—62

Alexander	Frey	Rees
Ashbrook	Fuqua	Riegle
Badillo	Green	Risenhoover
Bell	Hawkins	Rodino
Brown, Mich.	Hays, Ohio	Sebelius
Chisholm	Hébert	Shriver
Clay	Heinz	Sisk
Cohen	Helstoski	Stanton,
Collins, Ill.	Hinshaw	James V.
Conlan	Holland	Steelman
de la Garza	Jones, Ala.	Steiger, Ariz.
Dickinson	Karth	Stephens
du Pont	Kazen	Stuckey
Eckhardt	LaFalce	Thornton
Esch	Lehman	Udall
Eshleman	McCloskey	Vander Veen
Evans, Colo.	McEwen	Wilson, C. H.
Evins, Tenn.	Moorhead, Pa.	Wylie
Fithian	O'Hara	Young, Alaska
Ford, Tenn.	Peyser	Young, Ga.
Forsythe	Randall	Zeferetti

The Clerk announced the following pairs:

On this vote:

Mr. Zeferetti for, with Mr. Hébert against.

Mr. DUNCAN of Oregon and Mr. BEARD of Tennessee changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. PAUL. Mr. Chairman, no one gains any political advantage from a vote against a Federal aid program to the blind, the aged, and the disabled. After all, is not a vote against Federal aid to the blind actually a vote against blind people? "All those against blind people please stand up." When elected representatives sense that this kind of a challenge to their compassion is involved, hardly anyone stands up. So another multibillion-dollar program of coercive wealth redistribution goes on the books. In the case of H.R. 8911, the supplemental security income program's amendments, the bill in fiscal year 1977 is $69 million; for the 1977–81 period, the admitted total of Federal funds—not counting matching State funds—is $1.1 billion. Is this too much to give to help blind and disabled people? It depends on whether we are talking about a gift or confiscation. In principle, 1 cent should not be forced out of the pocket of one person for the exclusive benefit of another person, even if the State or Federal Government is the enforcer. Not for the blind, the aged, or the disabled.

The destruction of the dollar has to be stopped if this Nation is to avoid a political, economic, and social disaster. The U.S. Government has no revenue of its own that is not extracted from taxpayers, either directly—taxes—or indirectly—monetary inflation. We ran an admitted deficit of almost $70 billion last year, and the total Federal deficit expected over the life of existing programs may be as high as $7 trillion. Therefore, this Government has no revenues to share any more; it only has deficits to share. It will share them with all those citizens who have not sheltered their income and assets from the ravages of inflation. It will share its deficits, therefore, with those who do not have tax lawyers, costly newsletter subscriptions and advisory services, and expertise in the area of inflation avoidance. In short, inflation will, as always, destroy the hopes of those least able to defend themselves economically.

There is only one way to stop this juggernaut destroyer: cease voting new ways of taxing one group in order to provide benefits for another. Selective voting on the question of coercive wealth redistribution will inevitably bring cries of "special-interest favoritism" from the public. If the massive quantities of tax dollars that pour out of Washington are to be stopped, they must be stopped all across the board. A vote against one needy group must be matched by votes against every needy group. What all needy groups need from the Government is protection from fraud and violence. What all needy groups need from the Government is legal justice. These endless program of wealth redistribution have made the Government the source of both fraud and violence. The Government can no longer perform its primary tasks—defense and justice—efficiently because of the impossibly heavy burdens placed on it by every needy group and the Government bureaucrats needed to administer the programs created in the name of these needy groups.

Americans are not tightwads. They are charitable people. If they have discretionary income—income remaining after the tax collector and inflation get through with them—they give and give generously. But we are seeing the transfer of legal responsibility for charity passing to the civil governments at all levels. We see the transfer of power going along with the transfer or responsibility, and the bureaucracies get ever larger.

This bill, H.R. 8911, even creates a "get on board" program called "outreach." We are to see tax dollars used to find more potentially eligible people and sign them up for the free benefits—a program guaranteed to inflate the expected costs of operating this income supplement program. The costs will grow, the bureaucracies will grow, and the deficits will grow.

Politicians cannot seem to say no. A never-ending stream of new groups needing Federal aid flows through Washington—a stream which has become a roaring river dwarfing the Potomac. There are always needy groups. If we encourage them to believe that they have a legal claim on everyone else's income, we will keep them dependent upon the bureaucrats forever, or at least until the Nation's currency is debauched. Then the dependents will be in far worse shape than they are today. We create this sense of dependency to the Government, and then we pass more and more aid to new groups in a process that is guaranteed to wind up in a monetary debacle of international proportions.

It has to stop. It will not stop until we stop voting other people's money to needy groups. The Government is not only ill equipped to become the compassionate father of all needy people, it should never be allowed to do so. There are no more sources for tax dollars. The end of the redistributionist road is in sight. The taxpayers' subsidy is about to come back to us marked "insufficient funds."

A vote against wealth redistribution is a vote in favor of human freedom, meaning freedom from a growing bureaucratic state. Blind people need freedom, too. Blind people need a sound currency, too. Every citizen does. It is not a lack of compassion that led me to vote against this bill. It is my commitment to human freedom. It is freedom which will aid the blind and disabled most in the long run. Private compassion and charity within the framework of political freedom can do far more for the blind and disabled than the redtape-bound bureaucrats who administer these confiscatory Federal programs. The blind, the aged, and the disabled need less government.

To my colleagues who vote as if they think that Americans will never give money and help to the needy of this land, I can only say, "O ye of little faith"—little faith in Americans, and great faith in the profoundly erroneous principle of wealth redistribution through taxation. And when the debacle comes, and the currency is destroyed, and the Government checks buy nothing—including more votes—what will you say then? And what will the public say? And what kind of crisis-created leader will "come to the rescue"? I hate to think. I can say this much, however: the blind and disabled will not be the beneficiaries in that dark day. And the rest of us will not have very much left to help them with.

Mr. RIEGLE. Mr. Chairman, H.R. 8911 was the result of the first comprehensive review of the supplemental security income program by the Ways and Means Subcommittee on Public Assistance. This bill makes various changes designed to simplify the program's administration and to correct certain inequities. I strongly support these changes.

Many of the provisions included in H.R. 8911 were included in an SSI reform bill I introduced on June 9, 1976. These reforms include speeding up the payment of benefits, establishing a better outreach program, simplifying eligibility tests, and wider use of "presumptive eligibility."

One very critical issue not address by this bill now under consideration, but key to my bill is the need to provide an adequate income level for our elderly, blind, and disabled. The provision of a basic SSI income at least at the poverty level was the original intent of Congress. The committee reports describe the new program as assuring that aged, blind, and disabled people would no longer have to exist on below-poverty incomes. However, the amounts allotted for benefits were out of date even before implementation of the program began on January 1, 1974. The current SSI payments are inadequate to meet the basic needs of aging

and disabled persons and equal only 75 percent of the poverty level. Furthermore, "passing through" cost of living increases is not enough. Since SSI payments and the poverty level are both adjusted according to changes in the Consumer Price Index, SSI payments will not increase relative to the poverty level without an increase in the basic Federal payment.

My bill would increase the Federal SSI payment to $333 per month for an individual—$4,000 per year; and $460 for a couple—$5,500 per year and place the responsibility for insuring the aged, blind, and disabled an adequate standard of living on the Federal Government. These benefit levels in my bill are between the poverty level and the intermediate budget of the Bureau of Labor Statistics which was recommended by the White House Conference on Aging, in 1971, as the minimum income level for the elderly. Raising the benefit level by this amount will permit aging, blind and disabled persons to have adequate income to manage their financial affairs with dignity and at the same time provide fiscal relief to the States by eliminating the need for most State supplementation and dual administration making this a truly Federal income maintenance program.

While traveling around my district and the State of Michigan, I have seen firsthand the economic hardship and despair of the elderly, blind, and disabled. I am hopeful that this bill, H.R. 8911, will be only the first step in reforming the SSI program to meet their needs. I am convinced that we must act now and with urgency to solve this problem. I consider this a moral imperative of the highest order.

Mr. BINGHAM. Mr. Chairman, I rise in qualified support of H.R. 8911 as amended by the House making many needed changes in the supplemental security income program established by law in 1972 (P.L. 92–603) for implementation January 1974. H.R. 8911 is part of a multistage effort on the part of Congress to correct a variety of inequities and unnecessary difficulties in SSI, the Federal Government's first comprehensive guaranteed minimum income program. The Federal Government is relatively new at this broad income security business, preferring in the past to leave the details of such income programs to the States. Consequently, we have made mistakes. A complicated and expensive program which affects the lives of more than 3 million low-income elderly, blind, and disabled by its very nature must go through a long perfecting process. Consideration of H.R. 8911 before us today is an important part of that process. I qualify my support for the bill only because much more needs to be done to fulfill the promise implied in SSI—true income security for our aged, blind, and disabled. I can only ask recipients to pardon the slowness of this perfecting process; however, the amount of tax dollars involved mandates careful consideration.

As we consider this complex and costly legislation, let us remind ourselves of the serious complaints we have been relatively receiving from constituents about this program over the last 2½ years. This bill is before us today precisely because of those complaints as our representative system of government works its will.

Those of us from States like New York vividly remember the shocked cries of aged, blind, and disabled as they were forced off State welfare programs on to SSI. What had we done to them they asked? They called for repeal of SSI so they could return to State welfare roles which offered better income protection in the form of housing supplements, food stamps, and access to emergency services. In addition, we were told that because of the lagtime between enactment of SSI and its implementation, many individuals actually lost income when they were transferred from the old State welfare programs to SSI due to loss of food stamps which were adjusted biannually. There were other problems with this new program, which was principally designed to encourage an estimated 3 million eligible aged, blind, and disabled persons to seek help under this new, more dignified, social security program.

The Social Security Administration had never before been faced with administering an income-tested program with complicated resource and income information to verify and compare against even more complex eligibility criteria. Temporary employees were hired to process applications and understandable, but not forgivable, delays in processing of 60, 90, and 120 days were not uncommon. What were aged, blind, and disabled persons to do in the meantime? The original law provided for an emergency payment not to exceed $100 for persons in immediate need and presumably eligible—mostly aged and blind—for 3 months, but this amount proved woefully inadequate and did not help those not presumably eligible. Complaints of lost, stolen, and undelivered checks were another administrative problem. Regular recovery procedures under the social security law were followed with checks having to be reissued out of the SSA center in Alabama and taking 7 to 10 days to reach the desperate recipient after the report of loss. A cooperative emergency program was worked out in 1974, at the urging of myself and others, with the States dealing with emergency situations, but it was far from perfect and left the burden of some of the costs involved to the States.

By far the most serious problem for recipients turned out to be the pass-through problem. They found that increases in social security, VA benefits, and other adjustments in their income meant corresponding reductions in their SSI payments. What the Federal Government gave with one hand it took away with the other.

These various complaints of our constituents did not fall on deaf ears. The New York State delegation led by myself, Ms. ABZUG, Ms. HOLTZMAN, and our former colleague and now Governor, Mr. Carey, developed comprehensive SSI reform legislation in April of 1974 to deal with these and other problems. We secured support for our bills from over 60 Members and pledges for action on some of our reforms in the 93d Congress—1973–74. Stage one of the perfecting process concentrated on the income protection problem.

The 93d Congress enacted a cost-of-living provision (P.L. 93–368) to the SSI law tied to annual automatic increases in social security. It gave States the option of allowing SSI recipients to be eligible for food stamps or continue to have the Federal Government pay $10 additional SSI benefits (P.L. 93–233). Finally, it mandated additional payments to persons transferred from State welfare rolls to SSI to bring them up to their December 1973 benefit levels.

This "grandfather" provision (P.L. 93–66) made sure no person would suffer a cash loss of income because of being transferred to SSI. All of these changes were fine and good for recipients in the great majority of States, but once again Congress discovered its law reforms did not meet expectations. In States like New York which provided substantial supplements to the regular Federal SSI benefits with the help of special hold harmless payments from the Federal Government—only up to the 1972 benefit level, no higher—the controlling change did nothing to help recipients. Everything there was a cost-of-living increase in the SSI Federal benefit, there was a corresponding decrease in the hold harmless payment. New York State found it had no additional Federal money to "pass on" to their recipients eagerly waiting for announced raises to meet rising rents, food and utility costs.

What a cruel hoax on both the State and its poor people. In 1974 the State ignored the storm of criticism, but in 1975 it bowed to humanitarian concerns and gave SSI recipients the 8-percent increase others were to receive, at a State-local shared cost of $32 million. In 1976 after a painful fiscal crisis mandating strict fiscal control, the State and localities dug deep into their depleted treasuries to provide a partial cost-of-living increase to SSI recipients effective this coming October 1 at a State-local shared cost of over $10 million. With this last increase in the Federal benefit, New York State's hold harmless payment was reduced to zero. From now on passing along cost-of-living increases will not cost the State any additional funds but it cannot be blamed for wanting to reduce its high level of participation in what it thought would be a Federal program.

In the 94th Congress, we began stage two of the perfecting process by reintroducing an updated and expanded version of our SSI reform bills (H.R. 2891 and H.R. 4308). The principal addition was a provision for a supplemental housing allowance of up to $50 monthly or $600 annually to correct a fundamental inequity in the SSI program—variations in the costs of shelter throughout the country. We again secured the cosponsorship of 70 of our colleagues from more than 20 States and pressed for action by the House Ways and Means Public Assistance Subcommittee. With several members on the subcommittee from affected States like New York, we received a very sympathetic hearing and many of our suggestions were incorporated in the two SSI reform bills H.R. 8911 and H.R.

8912 reported July 25, 1975, by the subcommittee. These provisioss included full pass-through of cost-of-living increases for every SSI recipient, supplemental housing allowance (H.R. 8912), emergency replacement of benefit payments, and modification of the third-party payee requirement for alcoholics and drug addicts. The passthrough and housing allowance provisions were defeated in full committee because of their estimated multimillion cost. The other two provisions are in H.R. 8911 as before us today.

Although our efforts were defeated in committee, we have pursued them on the floor in the form of the Rangel housing allowance amendment, the Fraser-O'Neill amendment offering a compromise on the passthrough issue and the Pickle social security increase disregard amendment. The first I am sad to say was rejected. The others because of their relatively low tax dollar impact were overwhelmingly agreed to. I have already discussed these amendments in detail in previous debate.

Now that we have finished consideration of this most complex subject. I urge the House to move to pass H.R. 8911 as amended so that the 94th Congress can have time to complete stage two of the perfecting process. As I have said before, much more needs to be done, but with enactment of this legislation added to the accomplishment of administration reforms—SSA's recent announcement of application processing delay reduction to 35 days for the aged and 59 days for the blind and disabled for example—important progress will have been made. In the next Congress we can continue the perfecting process and further close the gap between the promise of income security to the aged, blind, and disabled, and the program's performance.

Ms. HOLTZMAN. Mr. Chairman, I am pleased to support H.R. 8911, which makes long overdue improvements in the supplemental security income, SSI, program of aid to the aged, blind, and disabled poor.

Since SSI went into operation on January 1, 1974, the program's shortcomings have caused great hardship to poverty-stricken aged, blind, and disabled Americans. In my own experience with constituents I have encountered cases of elderly or disabled persons who are left with $50 or less each month to pay for food and other necessities, who are threatened with starvation because of a $15 rent increase, who have no money to buy a radio, travel the subways, or buy clothing, who are trapped in deteriorating buildings and frightening neighborhoods because they cannot afford to move, who are evicted and forced into nursing homes, who have no money to live on for weeks because their checks were stolen or never arrived.

As a result of the suffering SSI created among my constituents and hundreds of thousands of others throughout the Nation, I have worked over the past 2½ years to make vitally needed reforms in the program. I am pleased to note that the bill before us today contains provisions which resolve a number of the problems I have sought to correct. These provisions include:

Assurance that all SSI recipients will get cost-of-living increases. This requirement was added in the amendment sponsored by Mr. FRASER, Mr. O'NEILL, and myself.

A procedure for the emergency replacement of lost or stolen benefit checks.

An increase in the amount of emergency advance payments a recipient may receive from $100 to 3 months' worth of benefits.

Removal of the $25,000 limitation on the value of a home which may be owned by recipients—a limit which is totally unrealistic in many urban neighborhoods.

Assurance that a temporarily hospitalized SSI recipient can continue to receive benefits for 3 months and thus not be forced out of an apartment or home and into a nursing home.

As a result of these provisions which I recommended, and several other improvements, H.R. 8911 will help to ease the suffering of our aged, blind, and disabled poor.

As welcome as this bill is, however, I must express my deep concern that it has been delayed too long and does not go far enough. The delay in House action is unconscionable in view of the fact that SSI's problems were apparent from the beginning. Thus, in May 1974 I introduced comprehensive SSI reform legislation dealing with the inadequate benefit payments, the lack of emergency assistance, the need for cost-of-living increases, and many other problems. It should not have taken more than 2 years for the House to act on these matters.

In addition, this bill leaves many serious problems unresolved. It does not establish a comprehensive emergency assistance program to deal with such problems as the loss or theft of the proceeds of an SSI check, the destruction of furniture or clothing, the threat of eviction, or any of the other emergencies to which the aged, blind, and disabled are most vulnerable. The bill does not include relief for recipients whose rent or housing costs absorb most of their SSI benefits, leaving little money for food, clothing, and other necessities. Reform along these lines is essential.

I, therefore, urge my colleagues to support H.R. 8911, but to remember, as well, that we have much more to do in order to make SSI truly meet the needs of this country's elderly, blind, and disabled poor.

The CHAIRMAN. If there are no further amendments to be offered, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BERGLAND, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 8911) to amend title XVI of the Social Security Act to make needed improvements in the program of supplemental security income benefits, pursuant to House Resolution 1467, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted in the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. VANDER JAGT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 374, nays 3, not voting 54, as follows:

[Roll No. 672]

YEAS—374

Abdnor	Clausen, Don H.	Gradison
Abzug	Clawson, Del	Grassley
Adams	Cleveland	Gude
Addabbo	Cochran	Guyer
Allen	Collins, Tex.	Hagedorn
Ambro	Conable	Haley
Anderson, Calif.	Conte	Hall, Ill.
Anderson, Ill.	Conyers	Hall, Tex.
Andrews, N.C.	Corman	Hamilton
Andrews, N. Dak.	Cornell	Hammer-schmidt
Annunzio	Cotter	Hanley
Archer	Coughlin	Hannaford
Armstrong	Crane	Hansen
Ashbrook	D'Amours	Harkin
Ashley	Daniel, Dan	Harrington
Aspin	Daniel, R. W.	Harris
AuCoin	Daniels, N.J.	Harsha
Bafalis	Danielson	Hayes, Ind.
Baldus	Davis	Hébert
Baucus	Delaney	Hechler, W. Va.
Bauman	Dellums	Heckler, Mass.
Beard, R.I.	Dent	Hefner
Beard, Tenn.	Derrick	Henderson
Bedell	Derwinski	Hicks
Bennett	Devine	Hightower
Bergland	Diggs	Hillis
Bevill	Dingell	Holland
Biaggi	Dodd	Holt
Biester	Downey, N.Y.	Holtzman
Bingham	Downing, Va.	Horton
Blanchard	Drinan	Howard
Blouin	Duncan, Oreg.	Howe
Boggs	Duncan, Tenn.	Hubbard
Boland	Early	Hughes
Bolling	Edgar	Hungate
Bonker	Edwards, Ala.	Hutchinson
Bowen	Edwards, Calif.	Hyde
Brademas	Eilberg	Ichord
Breaux	Emery	Jacobs
Breckinridge	English	Jarman
Brinkley	Erlenborn	Jenrette
Brodhead	Evans, Ind.	Johnson, Calif.
Brooks	Fary	Johnson, Colo.
Broomfield	Fascell	Johnson, Pa.
Brown, Calif.	Fenwick	Jones, N.C.
Brown, Ohio	Findley	Jones, Okla.
Broyhill	Fish	Jones, Tenn.
Buchanan	Fisher	Jordan
Burgener	Flood	Kasten
Burke, Calif.	Florio	Kastenmeier
Burke, Fla.	Flowers	Kazen
Burke, Mass.	Flynt	Kelly
Burleson, Tex.	Foley	Kemp
Burlison, Mo.	Ford, Mich.	Ketchum
Burton, John	Fountain	Keys
Burton, Phillip	Fraser	Kindness
Butler	Frenzel	Koch
Byron	Gaydos	Krebs
Carney	Giaimo	Krueger
Carr	Gibbons	Lagomarsino
Carter	Gilman	Landrum
Cederberg	Ginn	Latta
Chappell	Goldwater	Leggett
Clancy	Gonzalez	Lent
	Goodling	Levitas

Lloyd, Calif.	Nolan	Sikes
Lloyd, Tenn.	Nowak	Simon
Long, La.	Oberstar	Skubitz
Long, Md.	Obey	Slack
Lott	O'Brien	Smith, Iowa
Lujan	O'Hara	Smith, Nebr.
Lundine	O'Neill	Snyder
McClory	Ottinger	Solarz
McCollister	Passman	Spellman
McCormack	Patten, N.J.	Spence
McDade	Patterson, Calif.	Staggers
McEwen	Pattison, N.Y.	Stanton, J. William
McFall	Pepper	Stark
McHugh	Perkins	Steed
McKay	Pettis	Steiger, Wis.
McKinney	Pickle	Stokes
Madden	Pike	Stratton
Madigan	Poage	Stuckey
Maguire	Pressler	Studds
Mahon	Preyer	Sullivan
Mann	Price	Symington
Martin	Pritchard	Symms
Mathis	Quie	Talcott
Matsunaga	Quillen	Taylor, Mo.
Mazzoli	Railsback	Taylor, N.C.
Melcher	Rangel	Teague
Metcalfe	Regula	Thompson
Meyner	Reuss	Thone
Mezvinsky	Richmond	Traxler
Michel	Rinaldo	Treen
Mikva	Roberts	Tsongas
Milford	Robinson	Udall
Miller, Calif.	Rodino	Ullman
Miller, Ohio	Roe	Van Deerlin
Mills	Rogers	Vander Jagt
Mineta	Roncalio	Vanik
Minish	Rooney	Vigorito
Mink	Rose	Waggonner
Mitchell, Md.	Rosenthal	Walsh
Mitchell, N.Y.	Rostenkowski	Wampler
Moakley	Roush	Waxman
Moffett	Rousselot	Weaver
Mollohan	Roybal	Whalen
Montgomery	Runnels	White
Moore	Ruppe	Whitehurst
Moorhead, Calif.	Russo	Whitten
Morgan	Ryan	Wiggins
Mosher	St Germain	Wilson, Bob
Moss	Santini	Wilson, C. H.
Mottl	Sarasin	Wilson, Tex.
Murphy, Ill.	Sarbanes	Winn
Murphy, N.Y.	Satterfield	Wirth
Murtha	Scheuer	Wolff
Myers, Ind.	Schroeder	Wright
Myers, Pa.	Schulze	Wydler
Natcher	Seiberling	Yates
Neal	Sharp	Yatron
Nedzi	Shipley	Young, Fla.
Nichols	Shriver	Young, Tex.
Nix	Shuster	Zablocki

NAYS—3

McDonald	Paul	Schneebeli

NOT VOTING—54

Alexander	Forsythe	Rees
Badillo	Frey	Rhodes
Bell	Fuqua	Riegle
Brown, Mich.	Green	Risenhoover
Chisholm	Hawkins	Sebelius
Clay	Hays, Ohio	Sisk
Cohen	Heinz	Stanton, James V.
Collins, Ill.	Helstoski	Steelman
Conlan	Hinshaw	Steiger, Ariz.
de la Garza	Jeffords	Stephens
Dickinson	Jones, Ala.	Thornton
du Pont	Karth	Vander Veen
Eckhardt	LaFalce	Wylie
Esch	Lehman	Young, Alaska
Eshleman	McCloskey	Young, Ga.
Evans, Colo.	Meeds	Zeferetti
Evins, Tenn.	Moorhead, Pa.	
Fithian	Peyser	
Ford, Tenn.	Randall	

The Clerk announced the following pairs:

Mr. Young of Georgia with Mr. Bell.
Mrs. Chisholm with Mr. Young of Alaska.
Mr. Badillo with Mr. Peyser.
Mr. Hawkins with Mr. Forsythe.
Mr. Zeferetti with Mr. Cohen.
Mr. Moorhead of Pennsylvania with Mr. du Pont.
Mr. Fuqua with Mr. Eckhardt.
Mr. de la Garza with Mr. Brown of Michigan.
Mr. Evans of Colorado with Mr. Evins of Tennessee.
Mr. Fithian with Mr. Esch.
Mr. Sisk with Mr. Frey.
Mr. Randall with Mr. Steelman.
Mr. Ford of Tennessee with Mr. Conlan.
Mr. Clay with Mr. Stephens.
Mrs. Collins of Illinois with Mr. Eshleman.
Mr. Helstoski with Mr. Dickinson.
Mr. LaFalce with Mr. Wylie.
Mr. Lehman with Mr. Steiger of Arizona.
Mr. Thornton with Mr. Karth.
Mr. Risenhoover with Mr. Jeffords.
Mr. Meeds with Mr. Heinz.
Mr. Alexander with Mr. Sebelius.
Mr. Vander Veen with Mr. McCloskey.
Mr. Green with Mr. James V. Stanton.
Mr. Hays of Ohio with Mr. Riegle.
Mr. Rees with Mr. Jones of Alabama.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

DIRECTING ENROLLING CLERK TO MAKE TECHNICAL CHANGES TO CORRECT NUMBERING OF SECTIONS IN H.R. 8911

Mr. CORMAN. Mr. Speaker, I ask unanimous consent that the enrolling clerk be directed to make such technical changes as may be necessary to correct the numbering of sections in the bill H.R. 8911, as just passed by the House.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

GENERAL LEAVE

Mr. CORMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the Fraser amendment, to be inserted just before the vote on the Fraser amendment, and that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 8911, the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT AMENDMENTS OF 1976

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1283 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 1283

Resolved, That upon the adoption of this resolution it shall be in order to move, the provisions of clause 2(1) (5) (B) of Rule XI to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9398) to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a three-year period. After general debate, which shall be confined to the bill and shall continue not to exceed one hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works and Transportation, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Public Works and Transportation now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from Massachusetts (Mr. MOAKLEY) is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Tennessee (Mr. QUILLEN), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1238 is the rule providing for the consideration of the Public Works and Economic Development Act Amendments of 1976 (H.R. 9398).

It is a 1-hour open rule providing for the committee substitute to be read as an original bill for the purpose of amendment.

The rule waives points of order against the report (House Rept. 94–1075) for failure to comply with clause 2(1) (5) (B), rule XI. This clause requires that any report containing an estimate and comparison of costs prepared by the Congressional Budget Office shall, on its cover bear notice that the report includes the CBO statement.

This phrase is not included in this report. However, I would stress that the CBO statement is printed in full in the report and appears on page 9.

The requirement of the rule can be satisfied by printing a supplemental report but this would be an unreasonable cost to incur over a purely technical violation.

The Committee on Rules thus reported this resolution, the adoption of which would waive the point of order.

Mr. Speaker, the bill represents a major overhaul of economic development programs aimed at our Nation's hard-pressed cities. The committee has noted that, since enactment of the Public Works and Economic Development Act in 1965, only 12.3 percent of total funding has been aimed at the Nation's 90 largest cities.

This bill would address this situation through a significant expansion and revision of the programs. And it would establish a new urban economic development program which would permit the Secretary to provide financial assistance to communities which have developed overall economic development programs.

Mr. Speaker, I urge adoption of the rule so that we may proceed to consider this vital legislation.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I know of no objection to the rule. Although some provisions in the bill are quite controversial, hopefully they will be resolved when we get down to the debate on the bill itself in the Committee of the Whole.

Mr. Speaker, I urge the adoption of the resolution. The able gentleman from Massachusetts (Mr. MOAKLEY) has explained the provisions of the resolution.

Mr. MOAKLEY. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. ROE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9398) to amend the Public Works and Economic Development Act of 1965 to extend the authorization for a 3-year period.

The SPEAKER. The question is on the motion offered by the gentleman from New Jersey (Mr. ROE).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 9398, with Mr. MITCHELL of Maryland in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from New Jersey (Mr. ROE) will be recognized for 30 minutes, and the gentleman from Arkansas (Mr. HAMMERSCHMIDT) will be recognized for 30 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. ROE).

Mr. ROE. Mr. Chairman, I yield to the gentleman from Arkansas (Mr. HAMMERSCHMIDT).

Mr. HAMMERSCHMIDT. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I rise to support H.R. 9398, a bill to extend the programs authorized by the Public Works and Economic Development Act of 1965 for an additional 3 years, through September 1979. The programs created under this act have been effective in stimulating economic development and creating jobs and should be extended; $3.7 billion is authorized for these programs—including funds for 3 years, plus the transition period.

The Public Works and Economic Development Act of 1965 was enacted to assist localities suffering from high unemployment and stunted economic growth. The programs authorized under this act have created jobs in the private sector and stimulated economic expansion through local initiatives. Funds are channeled into areas which are economically behind the rest of the Nation. Areas eligible to receive assistance—under this act—are those which have hardcore unemployment problems and are experiencing economic deterioration.

The public works grants program provides funds to local communities to construct water and sewer systems, vocational schools, and industrial parks. Since the inception of this program more than a million jobs have been created. Most of these are direct jobs created by new businesses locating in the area or through expansion of existing businesses. In addition, the indirect benefits of this program are immeasurable. Other jobs have been generated as a result of expanded company payrolls which increased the buying power of local residents. In many cases the entire community and area have found new hope through additional job opportunities and economic expansion.

Other EDA programs provide funds for economic planning, supplemental grants to States, business development loans, and assistance to redevelopment areas. As a result of funds through these programs, EDA has shown an impressive record of improving economic opportunities with a fairly small Federal investment. Seed money has been actively coupled with local dollars to expand job opportunities. Economic alternatives have been developed which have provided additional economic growth and stability for the areas.

In addition to extending the existing programs, this legislation makes several changes which will strengthen and improve the EDA programs. A new urban section is added to make these programs more responsive to the problems of the cities. Unemployment rates in major cities are the highest in the country and many of these areas are experiencing substantial outmigration. Due to the high cost of land and demolition of existing structures, as well as high taxes, it is almost impossible for urban areas to attract new industry. Several changes in this legislation would make it easier for urban areas to participate in the EDA program. These changes recognize and ameliorate problems cities have experienced in designation for EDA assistance.

This bill also restores the requirement that between 25 and 35 percent of the title I public works funds be used for the public works impact program. The public works impact program was instituted to create immediate employment in poverty areas or areas having high unemployment. It has provided EDA with additional flexibility to insure that funds reach the areas of the greatest need where they can make an impact in the shortest possible time.

H.R. 9398 increases the authorization for the business development program from $75 to $200 million. This increase is particularly important to assist many small businesses which are suffering financial strain and have had difficulty obtaining funds to expand their business. An interest subsidy provision will help businesses borrowing funds in the private market by paying up to 4 percent of the interest on such loans.

Title V of the Public Works and Economic Development Act authorizes the designation and funding of Regional Action Planning Commissions to help member States promote economic development. At the present time 33 States are members of the existing 7 regional planning commissions and I understand several other States are presently exploring this possibility. The legislation today would extend this program through 1979 and would provide assistance to regions for regional transportation, energy demonstration, health and nutrition demonstration, and education projects. In addition, this program has made supplemental funds available, enabling communities to move forward with projects in these areas.

The regional development and economic development programs provide maximum flexibility to local communities to solve their own problems. Local initiatives and local involvement are the key to the success of this program.

Permanent employment opportunities are provided through expansion of the private sector. As our economy is showing signs of improvement, it is essential that assistance be provided to thse economically depressed areas so that they can continue on the road to economic recovery. The EDA programs provide such assistance and the result of these funds is apparent in many communities throughout the country. I support their extension.

Mr. ROE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 9398, a bill to amend and extend the Public Works and Economic Development Act of 1965 for 3 additional years. Total authorizations for the 3-year extension, through fiscal year 1979, will be $3,712.5 billion. There can be no question that the extension of this legislation is both necessary and desirable. Economic development is not a partisan issue—it is, in a very real sense, the key to our Nation's future growth and prosperity. The Economic Development Administration—the Economic Development Districts, and the title V Regional Action Planning Commissions—have, since their inception in 1965, proven their success, not only in the creation of over a million jobs for the people in distressed areas of the country, but also as agencies that represent a genuine and effective partnership between Federal, State, and local governments.

The economic development programs under this legislation have provided the necessary tools, through planning and technical assistance, business development loans and guarantees, and public works facility grants, to assist depressed communities all across this country, areas that have continued to lag behind the growth and development of our Nation as a whole.

The EDA program has in many instances provided the first ray of hope for many Americans—the first opportunity to have a meaningful job, a steady income, and the first chance to make a contribution to one's community.

Mr. Chairman, although our economy has made progress toward a recovery during the past few months, the 1974–75 recession has left an aftermath of high unemployment which will remain high throughout the remainder of this decade. While we are all heartened by the continued reductions in unemployment levels during the past 6 months, it is obvious that the crisis is far from over.

In July, unemployment rose to 7.8 percent—that means that over 7.4 million Americans continue to be unemployed and as we all know, these official statistics from the Department of Labor do not reveal the magnitude of the unemployment problem. In April of this year—when unemployment stood at 7.5 percent, the AFL–CIO estimated that

if all the unemployed who have given up their search for a job plus those who are obliged to work part time rather than full time were included in the Labor Department's calculations, the "true" unemployment figures for the Nation during this period would have been 9.7 million persons or 10.3 percent. Today the unemployment problem is unfortunately worse, not better.

Mr. Chairman, it is clear that the economic development programs authorized under the Public Works and Economic Development Act of 1965 are needed now as ever before. These programs have been tested. We know that the flexibility of these programs and the mechanisms of governance embodied in EDA are effective. Not only do these programs provide meaningful work for the unemployed but they also provide the necessary infrastructure and public facilities which many communities are lacking. These public facility projects such as streets, water supply lines, sewage treatment facilities, schools, hospitals, or recreation areas—are not make-work projects—the kind that are commonly referred to as leaf-raking projects—they are badly needed projects which will have a lasting benefit in providing services to communities all across this Nation.

The bill that is before you today, H.R. 9398, continues these programs for 3 years through fiscal year 1979. With the exception of the title V Commissions, which were authorized through fiscal year 1977 by the Regional Development Act of 1975, the programs under the current legislation expire June 30, 1976. H.R. 9398 is designed to assist both rural and urban areas addressing problems of long-term economic growth—prior to the actual occurrences of economic distress—as well as to assist in the rehabilitation of those areas where long-term economic deterioration has occurred. Amendments to the legislation will enable the States, the economic development districts and local governments to address these problems in a more efficient and effective manner.

Under H.R. 9398, the public facility grant program is amended to permit grants for cost overruns on projects that have been previously approved under title I without increasing the Federal share of these projects. In addition, title I is also amended to increase from 10 to 25 percent the minimum amount of funds that must be used from the annual appropriation for this title for projects authorized by the public works impact program—PWIP. This provision reinstates the 25-percent minimum that was in law prior to the amendments to the act in 1974.

Under title II of the act, H.R. 9398 amends the business development loan and guarantee program to increase the authorization level from $75 to $200 million each fiscal year. In addition, a new section authorizes the Secretary to pay to, or on behalf of, a private borrower an amount sufficient to reduce up to 4 percentage points the interest paid by such borrower on a guaranteed loan for the purchase or development of land and facilities for industrial or commercial usage—including construction of new buildings, the rehabilitation of abandoned or unoccupied facilities, and the alteration or conversion of existing buildings. This interest supplement is to be used when no reasonable interest rate is available in the private lending market for marginal firms applying for loans in the private market. The subsidy is to be used during times of high interest rates or when such interest rates would be prohibitively expensive for firms in need of financial assistance to continue current operations.

H.R. 9398 contains a new section in title IV of the act which authorizes the Secretary to designate a city with a population of 50,000 or more as a "redevelopment area" if it submits and has approved a redevelopment plan and, if it meets one or more of the following conditions: First, a large concentration of low-income persons; second, substantial outmigration; third, substantial unemployment or underemployment; fourth, an actual or threatened abrupt rise of unemployment due to the closing or curtailment of a major source of employment; or fifth, long-term economic deterioration.

This section also permits cities designated under this section to receive other assistance for economic development under the act. Once a city is designated under this section, a city may receive grants for loans and other assistance for the economic development of the distressed area. Upon repayment of the loans to the city, economic development revolving funds are set up for the purpose of reinvesting funds in the economic development of the city with the approval of the Secretary.

Each city receiving assistance under this new section must submit a complete report to the Secretary of Commerce evaluating the effectiveness of the assistance provided for under this section. The Secretary will in turn submit a consolidated report to the Congress by July 1, 1977, with his recommendations on the urban economic development assistance provided.

Mr. Chairman, during our committee hearings on H.R. 9398, the problems of urban areas and particularly the older, central cities were discussed by a group of urban economic development experts. These witnesses testified that unemployment is still at crisis levels in most cities—although the Nation as a whole is beginning to recover from the current recession. The contrast between national unemployment statistics and those for residents living in the older, central cities reveals the magnitude of their problems. For example, in 1975, according to the U.S. Bureau of Labor Statistics, nationwide unemployment stood at 8.5 percent, but the poverty areas in central cities registered a 15.1 percent unemployment level.

Mr. Chairman, Congress must not lose sight of the fact that the central cities in major metropolitan areas contain the pivotal economic functions which are crucial to the Nation's economic health and long-term prosperity. Since the Public Works and Economic Development Act was enacted in 1965, only 12.3 percent—that is less than one-eighth—of the total public works, business development, technical assistance, and economic adjustment assistance provided by the act has been directed to the Nation's 90 largest cities.

The urban panel testifying before the Committee on Public Works and Transportation, strongly urged that economic development assistance be focused in urban areas with chronically high levels of unemployment and where the basic public works and economic infrastructure, such as streets, sewers and utilities is already in place. These witnesses strongly supported the amendment under H.R. 9398 which will enable communities with a population of 50,000 or more to be more easily designated as redevelopment areas eligible for assistance.

H.R. 9398 amends the economic adjustment assistance program of title IX of the act to include long-term economic deterioration as a condition for which assistance may be provided. In addition, the relocation of businesses has been added to the list for which grants may be made. In order to be an eligible recipient under the long-term economic deterioration criteria, the unemployment rate of the area must exceed the national average for 6 consecutive months of the preceding 12 months; at least 15 percent of the population must be below poverty levels as defined by the Office of Management and Budget; and, there must be an economic development planning and management capability adequate to effectively administer the grant awarded under title IX. Seperate funding would be authorized under title IX for these recipients.

Mr. Chairman, these are the major amendments under H.R. 9398 to the Public Works and Economic Development Act of 1965. I believe that these amendments represent an innovative and realistic response to the economic development problems that plague both our urban and rural communities throughout the Nation. The fact that unemployment will continue to remain at unacceptably high levels throughout the remainder of this decade, and the fact that the Nation is spending over $19 billion for unemployment compensation in 1976 alone, are clear indications that a national economic development program, targeted to the distressed areas of high unemployment, is absolutely imperative if we are to restore the vitality of our Nation's economic health. The EDA programs have proven their effectiveness. They create meaningful and productive jobs and they provide the public works and economic development infrastructure and facilities that are the lifeblood of every community in this Nation.

Mr. Chairman, I urge my colleagues to join with me in support of H.R. 9398.

Mr. HAMMERSCHMIDT. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio (Mr. HARSHA), the ranking minority member of the Committee on Public Works and Transportation.

Mr. HARSHA. Mr. Chairman, I rise in support of H.R. 9398, a bill to extend for 3 years the Public Works and Economic Development Act of 1965. This bill contains authorizations totalling $3.7 billion for activities under EDA to assist communities and States suffering eco-

nomic deterioration and decline. Over the years EDA has provided over a billion dollars in public works grants, hundreds of millions of dollars in business loans and technical assistance to eligible areas needing a boost in their respective economies. EDA is a proven effective program for Federal assistance to boost the private sector for sustained economic growth and development.

Specifically in this legislation there is an amendment to the title II business loan provision, which provides for an interest subsidy for loans guaranteed by EDA. This interest subsidy may be up to 4 percent of the interest on the loan and the payment shall be made either to the borrower or to the lender, no less often than anually. I support this provision, because it is direct aid to the private sector, it stimulates lending activity in areas where loans may be otherwise prohibitively expensive, and it allows the greatest leverage of Federal spending in the private sector. Many marginal firms in need of capital improvement, repair of existing facilities, and additions to pollution controls and abatement facilities are in desperate need of finance capital. This interest subsidy will aid these firms greatly to meet the cost of borrowing. This provision allows EDA to review the loan, since only loans guaranteed by EDA are eligible for the interest subsidy. In my own district of Ohio there is a firm which, due to the age of the facility, was forced to lay off half of its 2,400 employees, due directly to environmental orders. This is a major source of employment in my district and this payroll is obviously of great importance and need to the local economy. Since this is a marginal firm, a loan to finance pollution abatement facilities would be prohibitively expensive. However, by providing an interest subsidy the loan may be within this company's financial capacity.

I support this provision and the other provisions of H.R. 9398, and I urge its passage.

Mr. HAMMERSCHMIDT. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. DON H. CLAUSEN), a member of the committee.

Mr. DON H. CLAUSEN. Mr. Chairman, I rise in support of H.R. 9398. This bill authorizes $3.7 billion to continue the programs authorized under the Public Works and Economic Development Act of 1965 for 3 additional years.

These programs, administered by the Economic Development Administration within the Department of Commerce, provide funds to stimulate economic development and to provide long-term employment opportunities in areas of the country which are economically depressed. Assistance through a variety of programs is provided to communities which are suffering persistent unemployment or underemployment problems, to communities experiencing substantial outmigration due to a lack of job training facilities, and to areas having a high concentration of low-income residents.

A look at the past record of the EDA programs, from 1966 to present, indicates that they are having a positive impact on many of these communities. In areas where economic progress was previously at a standstill, job opportunities have been expanded, the level of income for the residents has improved, and the population has been stabilized.

Through EDA's business development program, loans have been provided to businesses which were about to shut down. The financial support has revitalized small businesses, saving jobs and creating additional jobs. Through the public works program, grants provided to local governments have enabled them to build industrial parks, job training facilities, access roads, medical facilities, and water and sewer projects. These funds have been invaluable to spur local projects which have stimulated industrial and commercial improvements.

The economic adjustment program has provided assistance to many areas of the country facing high unemployment due to structural changes in the area's economy. In some cases this type of assistance and planning has helped the community to divert an economic setback because it is able to anticipate the problem and take corrective action.

The people of the north coast of California are well aware of the key role the program for the Economic Development Administration play in advancing local initiatives designed to stabilize and revitalize our economic well being.

We have seen first hand how the resources of EDA combine with foresight on the part of the local people to achieve wise and careful economic improvements. EDA is particularly unique in that its primary mission is to create employment while at the same time it leaves lasting community enhancement in the form of new or improved public facilities of many kinds.

Our area has seen sewer systems constructed that permit the expansion of our industrial capability, new civic and cultural centers, fish processing plants, buildings for educational institutions, restoration of historic buildings, and many other significant accomplishments.

I believe the foregoing examples demonstrate that these programs are working. They are fostering economic development and creating jobs in communities through the Nation. There is genuine local enthusiasm for these programs and economic recovery is encouraged through the private sector. I do not think I need to elaborate on the financial and social agony associated with unemployment and economic distress. The programs deal with such a situation by encouraging private business to locate in the areas and to expand the jobs opportunities and training facilities. Permanent jobs, tax benefits, and increased income for residents have resulted from EDA's investment. It is a wise investment and should be continued.

I urge enactment of this legislation.

Mr. HAMMERSCHMIDT. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania (Mr. SHUSTER).

Mr. SHUSTER. Mr. Chairman, I rise in support of H.R. 9398, the Public Works and Economic Development Act amendments of 1976.

Mr. Chairman, with few exceptions, the Economic Development Act has been a model of Federal, State, and private cooperation in erasing, or at least alleviating, the cruelest of human blights—economic depression. It has zeroed in on areas of greatest need, as identified in EDA eligible districts, and has reaped untold benefits. There is no way to assess the number of families it has saved from separation, or the number of towns and communities it has prevented from collapsing. But the benefits are there and should be measured equally in terms of what it prevented as in what it created. And what it prevented was utter disaster in many communities.

This bill, Mr. Chairman, extends these important programs for an additional 3 years, generally at previously authorized levels. It will keep in motion critical programs which not only create jobs in the private sector, but encourage private initiative which, over time, should be manifested in a self-sufficient prosperous local economy. It will put people back to work who, for reasons in large measure attributable to the Federal Government, find themselves with no way to support their families. And it will promote community pride by constructing public facilities of enduring value, such as community centers, museums, industrial parks, and firehouses. These objectives are worthwhile beyond dispute, Mr. Chairman, and on that basis alone, the bill merits passage.

But this legislation goes beyond even the obvious merits of a public works-type bill. This legislation attempts to restore much of the responsibility for developing economic programs at the local and regional levels. By encouraging a planning process that is built "from the ground up," this measure guarantees that State programs accurately reflect the needs and goals of local communities and economic development districts, rather than continuing to permit local needs to be dictated by isolated bureaucracies, far removed by geography and demography from the local problems. It further acknowledges the blunder potential of Federal redtape by permitting States, or even local governments, to furnish unemployment statistics. This, Mr. Chairman, will have a positive effect on streamlining the process whereby communities may become eligible for EDA assistance.

This legislation is very important to me, Mr. Chairman, because I have witnessed whole towns struggling to recover when a major industry packed up and moved, or shut down, throwing most of the labor force out of work. And I have suffered the pains these communities have felt in trying to pick up the pieces. It can be the hardest thing in the world, and it requires all the courage, all the raw guts, one can muster. But the job is made infinitely more bearable when you know that the Federal Government is behind you—not to pick up the pieces, but to help you pick them up. That is precisely the intent of this bill.

Mr. Chairman, I urge you and my colleagues to join me in support of H.R. 9398.

Mr. HAMMERSCHMIDT. Mr. Chairman, I have no further requests for time, but I reserve the balance of my time.

Mr. ROE. Mr. Chairman, I yield 1 minute to the gentlewoman from New York (Ms. ABZUG).

Ms. ABZUG. Mr. Chairman, I rise in support of H.R. 9398, as amended, a bill to extend and amend the Public Works and Economic Development Act of 1965, as amended. I would like to commend the chairman of the Committee on Public Works and Transportation, Congressman ROBERT JONES of Alabama, and the chairman of the Subcommittee, Congressman ROBERT ROE of New Jersey, for his leadership on this bill and direct my comments to the new urban economic development sections of the legislation.

Mr. Chairman, the older cities of this Nation have been major victims of the current recession and the inflationary squeeze—the budgetary crisis that hit many cities not too long ago causing municipal strikes, and cutbacks in essential services, is not over. The basic problem of our cities lies much deeper than the current recession with its high unemployment—that problem is the gradual and continuing erosion of the economic base of cities. The continuing exodus of middle and upper income taxpayers and businesses from our central cities and the idling of valuable resources in land and labor has had a crippling effect on the economic health of our central cities. To the mayors and city councils, these population declines particularly in the Northeast and North Central States have resulted in reduced tax revenues at a time when their costs are increasing. The reason for this is all too obvious: the need for public services does not decline at the same rate that the tax base erodes. Our cities have thus been in a constant battle to equalize income and expenditures. To the workers in these cities, plant closings and industrial migration have had a severe impact—the loss of one's job. To young people, just entering the job market, it has meant that the struggle to find employment has become even longer and harder.

Congress has enacted a number of programs intended to reduce joblessness and assist local governments in meeting their financial obligations. All of these programs, including those for public service employment, general revenue sharing, and vocational education for job training, serve real needs and must be continued. However, none of these programs address the deep-seated problem of our cities—the need to end the erosion of the cities economic base and the need to restore the local market economy of commerce and industry—upon which all else depends. If private industry does not stay in the cities, and expand there, all efforts to reduce the depression-level unemployment in urban areas and make our cities self-supporting, shall certainly fail.

The Public Works and Economic Development Act is therefore of vital concern to the cities of this Nation—it is the only major Federal program that specifically is directed at providing jobs and strengthening local economies. The success of EDA leads us to recommend that the program be strengthened in urban areas and I believe that this legislation provides an excellent framework for providing the type of assistance our urban areas need. Under H.R. 9398 a new section will make it practicable for cities to be designated as eligible for EDA assistance. In addition, this bill will establish an urban economic development program, containing its own separate authorization for cities over 50,000 population so that the larger cities will, for the first time, receive specific assistance under this act.

I want to remind my colleagues that since the inception of the Public Works and Economic Development Act in 1965, less than one-eighth—that is 12.3 percent—of the total expenditures for public works, grants, business development, technical assistance, and economic adjustment assistance provided by the act have been directed to the Nation's 90 largest cities. In 1970, 24 percent of the U.S. population resided in these 90 cities. Fifty of the 90 cities had 12.5 percent or more of their families living below the poverty line in 1970. And, in September of 1975, the unemployment rates in 69 of the 79 labor market areas for these cities were over 6.5 percent and one-third showed unemployment rates well in excess of 10 percent. Yet, the cumulative dollar amount of EDA assistance to these economically distressed urban areas comes to only $280,000,000 over a 10-year period. In 1975 only 53 of the 90 largest cities in the Nation received any EDA assistance at all, and only 58 of these cities received funds from EDA during the 10 years the program has been in existence.

Mr. Chairman, I want to make it clear that we do not want to reduce the amount of EDA assistance going to the rural depressed areas. Instead we are trying to come up with a new urban economic development program that is designed specifically for cities, to bring them up to a level of parity with other communities in the Nation.

Under section 405, which authorizes urban economic development, cities of 50,000 or more are subject to the same criteria as other communities applying for assistance under the Act. The Secretary of Commerce is authorized to designate a city with a population of 50,000 as a "redevelopment area" if it submits and has approved a redevelopment plan, and if it meets one or more of the following conditions: First, a large concentration of low income person; second, substantial outmigration; third, substantial unemployment or underemployment; fourth, an actual or threatened abrupt rise of unemployment due to the closing or curtailment of a major source of employment; or fifth, long-term economic deterioration. Once a city is designated, it may receive grants for the purpose of providing loans, or other assistance which will enhance the economic development of the distressed area. Upon the repayment of the loans to the city, this section would authorize the city to set up economic development revolving funds to provide funds for reinvestment to meet other economic development needs in the area. Cities designated under this section would also be eligible to receive other assistance for economic development under the act. Each city which receives a grant under section 405 must submit a report to the Secretary of Commerce evaluating the effectiveness of the assistance provided. The Secretary will in turn submit a consolidated report to the Congress by July 1, 1977, with his recommendations for any modification of the urban economic development assistance extended to cities under section 405.

Mr. Chairman, it is clear that both the current recession and inflationary pressures have exacerbated the problems of economic decline in many central cities. First, double-digit inflation caused city government expenditures to rise faster than revenues. This put the squeeze on central city budgets. Recession then provided the second blow to our cities. The recession's effect was particularly acute in the older cities of the Northeast and the Midwest because these cities contain the older manufacturing facilities—those that are probably the first to be closed as production is reduced and the last to be reopened when demand increases. Today, with a year of economic recovery under our belt, our central cities continue to experience unemployment rates well above 10 percent because utilization of production capacity is still below 75 percent.

The recession has caused more than unemployment, however. It has also caused large revenue shortfalls for many central city governments, and has increased the demand on these governments for essential services. These revenue shortfalls and increased demands for services forced many cities to undertake austerity measures in 1975 to maintain balanced budgets or to limit the size of their budget deficits. The cyclical decline related to the recession has consequently accelerated the economic base decline that was already manifest in many central cities.

Mr. Chairman, the regional development programs authorized under the Public Works and Economic Development Act of 1965 have proven their effectiveness during the past 10 years. It is clear that these programs are needed because all regional and local economies do not experience simultaneous changes in economic conditions. Some communities will approach full utilization of labor and capital resources long before the national economy reaches a full recovery. Others, like the declining central cities, lag well behind national economic indicators; and some remain chronically depressed for long periods of time. Aggregate fiscal and monetary policies are simply not designed to respond to the widely varied economic conditions that individual regions experience. Those policies attempt instead to regulate aggregate demand in the hope that all regional and local economies will be reached by their effects. But we know that this has not happened.

Mr. Chairman, many cities are, in fact, lagging far behind the national rate of recovery. It is for this reason that we have provided the new urban economic development section under the Public Works and Economic Development Act. This assistance is directly targeted to the most distressed cities that are not sharing the benefits of economic growth. With the addition of this amendment, and other minor changes made under H.R. 9398, I believe that the EDA program now more fully represents an integrated regional development strategy that will upgrade the skills of the labor

force, provide the capital necessary for investment, prevent the deterioration of public facilities and services, and offer positive incentives for the development of new employment opportunities in the most distressed urban and rural communities.

The key to strengthening the economies of declining central cities, is—as I said earlier in this statement—to encourage new private sector investments to locate in these areas. The EDA business development loan program is thus a natural complement to the new urban grant program for it provides long-term capital available at low interest rates to businesses that locate in declining areas. We have amended this business development loan program under H.R. 9398 so that the Secretary may reduce up to four percentage points the interest paid to a private borrower on a guaranteed loan for the purchase or development of land and facilities for industrial or commercial usage, including the construction of new buildings, the rehabilitation of abandoned or unoccupied buildings, or the alteration of existing buildings. This interest rate is to be used during times of high interest rates or when such rates would be prohibitively expensive for firms in need of financial assistance to continue current operations.

Mr. Chairman, we are proposing one more change to make the EDA program more effective in the older urban areas. Under title IX of the Public Works and Economic Development Act, we have amended this special economic adjustment and assistance program to include long-term economic deterioration as a condition for which assistance may be available, and we have added the relocation of businesses to the list for which grants may be made. In order to be an eligible recipient under this long-term economic deterioration criteria, the unemployment rate of the area must exceed the national rate, at least 15 percent of the population must be below the poverty level as defined by the OMB, and there must be an economic development planning and management capability to administer the grant.

Finally, Mr. Chairman, it is important that we realize that many of our central cities are not only suffering from declining economic bases, but also from deteriorating physical facilities. The assistance provided under the Public Works and Economic Development Act is directly tailored to meet these needs for the repair or rehabilitation of public facilities and to insure that the necessary infrastructures—roads, water, and sewer lines—are in place. In many respects, the rebuilding of the physical environment of the city is just as important as rebuilding the economic base.

Mr. Chairman, the new urban economic development program, the amendments to the business development loan program and those amendments to the economic adjustment assistance program are a product of many recommendations our committee has received to make the Public Works and Economic Development Act of 1965 more responsive to current and long-term economic needs in this country. I sincerely believe that the new assistance provided under H.R. 9398 will do much to solve the problems of our older urban areas in the country—particularly our central cities—as well as continue our assistance to distressed rural communities that have benefited from this program so much in the past. I strongly urge my colleagues to join with me in extending the Public Works and Economic Development Act for 3 years as provided for under H.R. 9398.

Mr. ROE. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. NOWAK).

Mr. NOWAK. Mr. Chairman, I would like to clarify the intent of section 903 (a)(3) of title IX of the Public Works and Economic Development Act Amendments of 1976.

I refer first to (A) of the eligibility criteria under this section which states:

An unemployment rate during the twelve month period preceding the application for the grant which exceeded the national unemployment rate for at least six months during such period based on unemployment statistics provided by the Department of Labor or on locally generated data acquired using a methodology approved by the Secretary.

This methodology shall be made available to areas where the Department of Labor does not compile data. In addition, governmental units within SMSA's, for which the Department of Labor maintains statistics, may also utilize the methodology to determine their unemployment rate, upon notifying the Secretary. The Secretary then provides these governmental units with any current data which will expedite their own unemployment rate determination.

Section (B), which reads "at least 15 per centum of the population below the poverty levels defined by the Office of Management and Budget" means the poverty levels which result from the division of the total population of an area into the total number of persons below the poverty level. The source is the Bureau of the Census 1970, census of population publication "Poverty Status in 1969 and Ratio of Family Income to Poverty Level for Persons in Families and Unrelated Individuals, by Family Relationship Age and Race." For example, central cities having a population of 250,000 or more would use table 207 of this source, adding the categories "All Family Members" and "All Unrelated Individuals" to arrive at the total population, and the total number below the poverty level.

The section (C) provision requiring an economic development planning and management capacity adequate to administer the grant effectively, intends that the applicant political unit provide evidence to the Secretary of Commerce of that applicant's capacity to utilize the grant in a manner which will improve the economic climate of the area. Any unit of local government which has been granted funding through the Economic Development Administration, for the purpose of economic development planning, such as section 302 planning grants, will be eligible for funding under section 903.

Mr. ROE. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota (Mr. OBERSTAR).

Mr. OBERSTAR. Mr. Chairman, I thank the gentleman from New Jersey for yielding to me.

EDA is a Federal Government program that makes sense. It works. It has been proven. It is one of the most effective Federal Government programs in terms of dollars invested and returns yielded to the American people. I have seen its effectiveness in my own congressional district over the past dozen years, going back to the days when EDA was created. I was privileged to be present at its creation; at that time I was a member of the staff of the House Committee on Public Works and also on the staff of my predecessor, the former chairman of this committee, John A. Blatnik, when, under his creative leadership the Accelerated Public Works Act and the Area Redevelopment Act were merged to form the new EDA. This program has enjoyed bipartisan support. It has tided us over in areas, like my own in Minnesota, that have had high and chronic unemployment, and enabled them to survive, give the people a new lease on life, and continue on.

So, Mr. Chairman, I urge support for EDA.

Mr. HAMMERSCHMIDT, Mr. Chairman, I yield such time as he may consume to the gentleman from Connecticut (Mr. MCKINNEY).

Mr. MCKINNEY. Mr. Chairman, the legislation before us to amend the Economic Development Act addresses an area of great concern to myself and the people of the Fourth District of Connecticut. In addition to extending existing programs, this bill authorizes $200 million annually for a new development program which is aimed at reversing conditions in depressed urban areas. As I am sure many of you are aware, this has long been one of my major concerns and an issue that I consider to be worthy of the highest national priority. I realize that the Northeastern region does not have exclusive claim to the problems of older cities, but there is no denying that we have a greater concentration of "problem" cities than any other part of the country.

Among the amendments we are considering is a reduction in the minimum population criteria for designation as a redevelopment area and development district eligible for grants. The fact that we are lowering the population level for eligible cities from 250,000 to 50,000 will permit a large number of urban areas desperately in need of economic assistance to qualify for these funds. I am acutely aware of the need to liberalize this requirement. Only last month the largest city in my district—Bridgeport, Conn.—and its thousands of unemployed teenagers were victimized by bureaucratic intransigence over population figures. Under CETA the Secretary of Labor was given discretion to allocate additional funds for summer jobs for inner-city youths. When I read the criteria that had been established to qualify for these funds—9 percent unemployment in cities of 150,000 population—I was certain that Bridgeport, with unemployment at 11 percent, down from 13 percent, and population in the 1970 census at more than 156,000 would be among the recipients. My years in Wash-

ington have taught me to take nothing for granted, however, so I checked with the Labor Department. Bridgeport was not among the recipient cities. My feeling of disappointment changed to one of disbelief when I was told that the rationale for excluding this depressed area was based on the estimated 1973 census which showed Bridgeport's population to be 148,337—1,663 below this arbitrary limit. When I checked with Census Bureau officials, I was informed that such a large decline was quite unusual and also there was an accepted "error" factor of 2 percent when using such results. Unfortunately the communications gap among offices of the Federal Government is so large that the officials administering the summer jobs for youth program refused to believe that discretion could also be used in accepting an "estimated" figure of 1.3 percent less than the minimum of 150,000. The result: Bridgeport lost out.

In standing up to speak in support of this bill I want to make known my determination that Bridgeport will not get shortchanged by such an arbitrary decision again. And you better believe that Stamford, Norwalk, Fairfield, and Greenwich and a lot of other cities in Connecticut and the Northeast will not be cut out, either. They all need help and they deserve it now. If this is a parochial view, let me remind you that the public works jobs bill included money for sewerage treatment projects that will never get to urban areas. Those of us living and working in the older, depressed cities of the North deserve the same consideration that we are asked to give to the rural regions of this country.

As I mentioned at the beginning of my remarks, we are doing more than just extending existing programs. Hearings held by the Public Works Committee demonstrated the need for additional assistance to central cities, especially those suffering from chronically high unemployment. One of the main points hammered home by the committee is the fact that more must be done to help cities cope with economic deterioration. The new Urban Economic Development grant program established in this bill is one such measure. This provision allows the Commerce Department to designate as a "redevelopment area" any city with a population over 50,000 which submits a plan for overall economic development approved by the Department and meeting one or more of the following conditions: First, a large concentration of low-income persons; second, substantial outmigration; third, substantial unemployment or underemployment; fourth, an actual or threatened abrupt rise of unemployment due to closing or curtailment of a major source of employment; and fifth, long-term economic deterioration. These criteria describe the woes of the typical Northeastern city, almost without exception.

Of paramount importance to us, however, is the population requirement of 50,000. In Connecticut, there are no cities currently with population greater than 150,000. In fact the entire State was excluded from eligibility in programs using the previous limitation of 250,000. Using the new criterion of 50,000 there are 11 cities in Connecticut which can now qualify on the population basis. Of these cities, five are located in the Fourth District. I am extremely pleased that the Congress is finally listening to myself and my colleagues who have been saying that, without economic assistance from the Federal Government, the Northeast corridor will become an economic wasteland. I hope that the passage of this bill will help us to speed up recovery, will substantially reduce high unemployment and provide funds to rebuild our cities. I am not asking for special treatment for these cities: I am asking that we pass this bill to help restore vitality and viability to the backbone of our Nation, our cities.

Mr. ROE. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia (Mr. BRINKLEY).

Mr. BRINKLEY. Mr. Chairman, I thank the gentleman from New Jersey (Mr. ROE) for yielding this time to me for today is an important day to me. Normally I come back to Washington on Monday mornings from my district in Georgia, but I have waited for many weeks and days for this particular bill and so I came back yesterday evening, Mr. Chairman, to make very sure neither rain nor snow should keep me from this "appointed round."

It is a glad thing that after a 2-month appropriations and convention displacement the House is considering the proposed 3-year extension of authorization to the Public Works and Economic Development Act of 1965. The 3-year extension would authorize urgently needed Federal grant-in-aid programs throughout the country.

The first thing that I should do is to thank and also to apologize to the chairman of the subcommittee, the gentleman from New Jersey (Mr. ROE); the gentleman from Alabama (Mr. JONES), chairman of the Committee on Public Works and Transportation; the gentleman from Texas (Mr. WRIGHT), who helped me a great deal; the gentlemen from Georgia (Mr. GINN and Mr. LEVITAS), and the gentleman from Arkansas (Mr. HAMMERSCHMIDT). If they did in fact get headaches by my insistence that this legislation be expedited, it was all kindly intentioned and well meant because of the urgency to me and to my district of the passage of title V, as amended.

Mr. Chairman, title V affects my district in a very poignant way, for in 1975 a tornado ravaged the city of Fort Valley, and through this legislation, as amended, we will provide a door through which that town may become a Coastal Plains grantee. Obviously, the Governor of Georgia and the cochairman of the Federal Coastal Plains Regional Development Commission must provide that grant authority, but it is our business to provide that door through which they may go. For all of those many reasons, Mr. Chairman, I am grateful for the legislation being here today, and I thank all the gentlemen on the committee for their kindnesses and consideration shown to me.

Mr. Chairman, I urge passage of the measure.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. BRINKLEY. I yield to the gentleman from Texas.

Mr. WRIGHT. I thank the gentleman for yielding.

As one member of the House Committee on Public Works and Transportation, I just want to observe that the gentleman from Georgia (Mr. BRINKLEY) has indeed been most diligent in impressing upon us the urgent need for this money to be made available for his area in Georgia. There can be no question in my mind but that it is urgent and that it is a need which fulfills every requirement of the law.

It is a tragedy that by reason of certain inadequacies of funds and authorizations those people smitten by that disaster have not already been completely relieved of their problems and total rehabilitation performed in those communities that the law intended should be performed.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ROE. Mr. Chairman, I yield 1 additional minute to the gentleman from Georgia (Mr. BRINKLEY).

Mr. WRIGHT. If the gentleman will yield further, I would just like to congratulate and compliment the gentleman from Georgia for the total diligence with which he has pursued this matter of such great importance to his constituency and to say that to a very large extent the fact that it is being resolved is due to his work and his perseverance. Far from resenting his implorings in coming to our committee, we appreciate it very much because we think that is what an active Congressman should do.

Mr. BRINKLEY. I thank the gentleman from Texas for his comments.

If the gentleman would give me his further attention, I would also thank the gentleman's staff, and also my staff, and in particular Miss Ann Cheek for her diligence.

Mr. ROE. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, in answer to the question of the gentleman from New York (Mr. NOWAK), the source of the information of the poverty level under that particular section of the bill is the Bureau of Census 1970 population publication, "Poverty Status in 1969 and Ratio of Family Income to Poverty Level for Persons in Families and Unrelated Individuals, by Family Relationship, Age, and Race."

The gentleman is absolutely correct. This is the method we intend to use and indeed, will use in computing poverty level criteria.

Mr. Chairman, we have no further requests for time, and I yield back the remainder of my time.

Mr. JOHNSON of California. Mr. Chairman, I rise in support of H.R. 9398 to extend the Public Works and Economic Development Act of 1965 for 3 years. As a member of the Subcommittee on Economic Development of the House Committee on Public Works and Transportation, I have worked closely with my colleagues to make this legislation more responsive to the economic needs of our depressed rural and urban

communities throughout the Nation under H.R. 9398.

The EDA programs authorized under this act have proven their effectiveness during the past decade in targeting assistance—public works grants, business development loans, and technical assistance—to the most distressed areas of the country—areas that have suffered extremely high rates of unemployment, areas which have a large percentage of their population living in poverty, areas that have experienced substantial outmigration and areas that have undergone structural changes in their economies due to the closing or curtailment of a major source of employment. These criteria have insured that the assistance under the Public Works and Economic Development Act is concentrated only in the most needy areas of the country. The unique governmental mechanisms that have evolved under this program; that is, the economic development districts and the title V regional Action Planning Commission, have provided a flexible framework whereby local communities can effectively participate in developing priority needs. Today, this local initiative is spearheaded by more than 7,500 local leaders participating in the programs of the Economic Development Administration. The dynamic relationship that exists among the States, the local communities and the Federal Government has made the EDA program the success it is today—over 1 million jobs have been created since the inception of the program in 1965—and, these jobs have resulted in the construction or repair of badly needed local facilities in communities all across this country.

In my own district in northern California, the programs of the Economic Development Administration have provided the stimulus that our local communities need in carrying out programs that will create jobs through balanced economic growth. Our economy is tied to tourism and the lumber industry. Fluctuations in the national economy and the seasonal nature of our industries, plus the declining sources in our forests, make it imperative that we intensify efforts to diversify and strengthen the economy of our region.

EDA has provided the assistance needed for many important programs in my district: In Chico, Calif., the State university has established a center for business and economic development with EDA funds. This center will provide business management counseling and training as well as assist local communities to stabilize businesses and preserve jobs. Two northern California communities—Anderson in Shasta County and Oroville in Butte County—are among five selected by the State of California for participation in an EDA demonstration program that will help businessmen in nonmetropolitan areas. The goal of this program is to retain existing jobs and create new jobs through business expansion. Although we are just beginning to build a viable economic base for the future growth and development of northern California, the cooperative efforts of the Sierra Economic Development District has demonstrated to other counties the value of a regional approach to solving the problems of unemployment and lagging growth. The people of northern California need the assistance provided under the Public Works and Economic Development Act. We have many communities with unemployment rates hovering around 20 percent with little prospects of improving their situation without the continued assistance of the Economic Development Administration.

Mr. Chairman, a 3-year extension of the EDA programs as provided for in H.R. 9398 is absolutely imperative if we are to continue to bolster the economies of many economically depressed areas of our Nation. The current recession has caused undue hardship for many of our urban areas and it has exacerbated the economic problems of our nonmetropolitan communities. The amendments under H.R. 9398 which provide for new authority to assist in the economic development of our urban areas, and those which improve upon the public facility grant program, the business loan program, and the economic adjustment assistance program, are necessary in order to address the immediate as well as the long-term economic problems of these depressed communities. I strongly urge my colleagues to join me in full support of H.R. 9398.

Mr. JONES of Alabama. Mr. Chairman, I rise in support of H.R. 9393, as amended, a bill to extend for 3 years the Public Works and Economic Development Act of 1965. The need for this legislation today is as serious as ever in the past. There can be no question that the events of the past few years have shaken the U.S. economy to its very foundations. Inflation rates, interest rates, and unemployment rates have hit unprecedented levels, exacting a toll on every citizen in America. Consumers, businessmen, financiers, and Government policymakers have been battered by one piece of shocking news after another. Although double-digit inflation has been curbed during the past 2 years, this has been accomplished at a great expense to our citizens and to our economy in the form of unemployment, the deflated value of savings and of capital, and a lowering of the effective income levels for the majority of the American people.

There is no need to dwell excessively on the depressed state of our economy—for the facts are abundantly clear—during the past 2½ years the United States has experienced the severest recession since the Great Depression of the 1930's. Nor is there any question that public facilities across the Nation are badly in need of repair, replacement and expansion, and that there are many communities which lack even the basic infrastructures—the water and sewer lines, the roads and streets—that are necessary to make these public facilities economically viable. Several years of extremely high interest rates have clearly imposed a staggering burden on local governments trying to keep pace with the facility needs of their communities.

Under the Public Works and Economic Development Act of 1965, as amended, assistance is not only targeted to the most distressed areas of the country—areas that have a history of high unemployment and underemployment—but assistance is also directed to areas that are experiencing rapid growth but lack the public works and economic infrastructure that is necessary to support the demands of their populations. Federal assistance in the form of public works grants, business development loans, and technical assistance, is thus directed to rural and urban communities that are experiencing long-term economic deterioration and chronic unemployment as well as those communities that have the severe problems of short-term dislocation that have been caused either by unplanned and haphazard growth or by the curtailment or shutdown of a major source of employment.

The EDA program has proven its effectiveness—not only in the creation of over 1 million jobs since its inception in 1965—but also in establishing a unique partnership between the States and local governments. The title V Regional Commissions and the economic development district program have evolved over the years to represent a truly unique and innovative approach to solving the diverse economic needs of the Nation.

Mr. Chairman, it seems a bit ironic that at a time when our Nation continues to experience severe economic problems, including high levels of unemployment and shrinking tax revenues, that we also have communities all across this Nation that need to rebuild outmoded or deteriorating public facilities or to construct new facilities to keep pace with the growth needs of their populations. It seems to me that these vital public projects can provide substantial relief for the millions of unemployed that are seeking work as well as provide the infrastructure for long-term growth. These expenditures are surely a more human answer to the unemployed than unemployment compensation. The people of this country do not want hand-outs—more welfare—more unemployment compensation. But that is exactly what we are giving them. This year we are spending more than $19 billion in unemployment compensation benefits alone. What is even worse, is that we cannot keep pace with these short-term stop-gap measures: According to a recent survey released by the Department of Labor, only 25 percent of jobless Americans find employment after their unemployment benefits run out. Half of the successful 25 percent must accept lower pay than they received in their previous job. So it is not just a matter of people trying to find limited standards of employment; in today's economy the jobs are simply not available. These figures are extremely important, because the Labor Department has also reported that nearly 2 million jobless Americans will exhaust their unemployment benefits by the end of 1976.

Mr. Chairman, it simply does not make sense to spend more on maintaining the unemployed than we are willing to spend in providing them with productive work. H.R. 9398 authorizes a total of $3.7 billion over a 3-year period for programs that have proven their effectiveness in generating employment and in providing badly needed local public facilities. Sure-

ly this is a better investment for Americans than the $19 billion we are spending for unemployment compensation this year.

Mr. DRINAN. Mr. Chairman, I rise in strong support of the Public Works and Economic Development Act amendments of 1976, H.R. 9398. This bill would extend the very successful Economic Development Administration, which has been instrumental in helping communities around the Nation provide jobs to unemployed workers through business development grants and assistance.

In recent months the Nation has just begun to show the steady economic improvement that will be needed if we are to shake off fully the effects of economic recession. The Congress has taken major steps to promote economic growth and to reduce unemployment through actions such as the tax cut and the Local Public and Capital Development Act. This type of legislation has been instrumental in stimulating the economy even though the President has been reluctant to give it his full support. But the truth is, without the Congress continuing to exercise its continuing commitment to reducing unemployment, our economic recovery could very well stall.

Mr. Chairman, the bill which we debate today is typical of those measures which must be taken if we are to reduce further the joblessness rate. Unlike the public local works program, which stimulates employment through public service jobs, H.R. 9398 stimulates employment in the private sector. It does this by providing business development loans and loan agreements, programs which have been designed to stimulate directly the private sector by helping business operate successfully in economically distressed areas. In conjunction with the public works program, this bill provides the overall balanced economic effort which is needed if we are ever to regain full employment in the coming years.

It is clear that we cannot ignore the private sector in developing a coherent Federal employment effort. Almost 85 percent of American workers depend on the private sector for jobs and income. Even with the increasingly available public service jobs, most of the jobless workers will depend on growth in the private sector for renewed job opportunities. And it is here that the Economic Development Administration has been quite successful in prior years.

I and my constituents have been well aware of the importance of the Economic Development Administration in creating jobs. In 1974 a $1.2 million grant was awarded to the city of Gardner in my congressional district to establish a much-need industrial park. In 1975, a similar $1.8 million grant was received by the city of Fitchburg for the purpose of founding an industrial park. This latter effort was greatly aided by an additional $24,000 grant to Fitchburg to establish an economic development office, so that the goal of full utilization could be pursued properly for the recently funded industrial park.

These kinds of programs and grants illustrate the great importance of the continuation of the Economic Development Administration. The EDA can go out into communities and help hard-pressed cities and towns improve their economic and employment base through business aid. Although it does take some time for the future ramifications of these grants to manifest themselves fully on the local economies, the psychological effects of new growth and optimism for the future can only help to buoy the future prospects of the communities affected.

Mr. Chairman, H.R. 9398 increases the authorization level for the business development loan and guarantee program from $75 million to $200 million for each fiscal year. The bill also provides greater opportunities for technical assistance, research, and information which can help State and local officials in completing needed economic planning and investment. The Economic Development Administration would continue to be the chief conduit for these grants, with this new bill continuing to further the mandate of EDA's critical work in this field.

The legislation also sets up an innovative urban economic development program. This urban program would permit the Secretary of Commerce to designate as a redevelopment area any city with a population in excess of 50,000 which has submitted an overall economic development program to the Department of Commerce. Where substantial unemployment exists, the program can be used by cities for real estate development, rehabilitation, and renovation of empty factory buildings, promoting industrial parks and land acquisition, and pursuing other activities which could create economic development.

I think it is significant to note, Mr. Chairman, that the minimum population required for eligibility for assistance under this new program has been reduced from 250,000 to 50,000. I feel that this is an important change, due to the fact that municipalities in my district such as Newton, Brookline, and Waltham, which could benefit substantially from programs such as this can now qualify for this welcome assistance. And it is clear that if we are to make a meaningful dent in continuing the reduction of unemployment, the Federal Government will have to broaden the scope of its assistance to those areas where it could be most valuable. Certainly, in this case, I feel that this expanded eligibility will have this effect.

I urge my colleagues to give their favorable support to this needed and important legislation. I can testify as to the good work which the Economic Development Administration has done in my own district, and how these grants can be greatly encouraging to local officials and townspeople insofar as their economic future is concerned. By mounting this two-step program, encouraging both private sector and public service jobs, we may at last be able to beat back the specter of high unemployment in the United States.

Mr. LEGGETT. Mr. Chairman, we have another opportunity today to take a key step in behalf of the American economy. H.R. 9398 would extend for 3 years the Public Works and Economic Development Act, which was first enacted in 1965 to assist the regions of our country afflicted by high unemployment. The programs authorized by this bill are directed specifically at areas suffering from declining economic activity and above-average unemployment—those characterized by many as areas of structural unemployment—where the risk that application of economic stimulus will produce inflationary pressures is low indeed. The aim is to enable these depressed areas to help themselves, in large part via the private sector, develop the planning and financial capacity needed for enduring economic development and the creation of permanent jobs.

As we analyze the results of the first 10 years under this act, it is clear that, while our central cities are the locus of some of our most severe problems of structural dislocation, they have received far less attention under this program than the magnitude of their problems would warrant. The Nation's 90 largest cities have received only 12 percent of the funds authorized under this legislation for public works, business development, and technical and economic adjustment assistance.

Yet the contrast between the unemployment problems of the central city and those of the population as a whole has been, and continues to be, striking. Just two pieces of information will remind us once again of the gravity of the problem. In 1975, when nationwide unemployment averaged 8.5 percent, the rate for the poverty areas of our central cities was over 15 percent. Similarly, teenage unemployment in 1975 was 40 percent in the central cities, double the national average.

Mr. Chairman, enactment of H.R. 9398 will not eradicate America's structural unemployment problems—in the cities or elsewhere. Far from it. But it is a worthwhile step which can help our afflicted regions help themselves.

To increase the urban emphasis, the bill would authorize $200 million annually to create an economic development program keyed to cities. Title IV would permit the Secretary of Commerce to designate as a "redevelopment area" cities with populations of 50,000 or more which meet one or more of the following conditions: A large concentration of low-income people, substantial outmigration or unemployment, a sudden loss of jobs through the closing of a major employment center, or long-term economic deterioration. If a city meeting these criteria prepares an economic development plan, the Secretary is authorized to make a grant to the city for executing the plan, if he approves it.

The bill would increase the funding authorization from $75 million to $200 million for the business development loan and guarantee program, under which the Secretary can aid in financing the purchase of land, facilities or machinery for industrial or commercial usage within all redevelopment areas, urban and otherwise. The Secretary can also, under a new provision of the bill, finance an interest subsidy of up to 4 percent on such a loan when loans are not otherwise available in the private money market.

In addition, H.R. 9398 would provide $250 million annually for public works

grants in redevelopment areas. It would also provide $75 million per year for technical assistance to State and local jurisdictions preparing economic development plans under authority of the act. Furthermore, the bill would authorize funds for grants to implement the plans of Regional Economic Development Commissions, and for assistance to areas which are suffering from long-term economic deterioration.

Let me emphasize one point, in conclusion. The aim of the programs included in this bill is to create jobs. The jobs it produces will not only bring in additional tax revenue, they will also cut welfare and unemployment insurance costs, partially offsetting the cost of this bill.

In my view, this bill will contribute to the health of both the public and the private sectors of our economy. I fail to see how our friends in the administration can oppose this bill if they really favor reductions in the unemployment rolls. I urge my colleagues to support H.R. 9398.

Mr. SHARP. Mr. Chairman, I wish to offer an amendment to the pending bill extending the authorization of the Public Works and Economic Development Act. My amendment would require the Economic Development Administration and the Secretary of Commerce to act within 60 days on overall economic development programs submitted to them for approval. I include this brief amendment at this point in the RECORD:

AMENDMENT TO H.R. 9398, AS REPORTED OFFERED BY MR. SHARP

Page 9, immediately after line 11, add the following new section:

SEC. 113. (a) Section 401 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3161) is amended by adding at the end thereof the following new subsection:

"(f) Notwithstanding any other provision of this Act, the Secretary shall make a final determination with respect to each overall economic development program submitted to him under this Act not later than the sixtieth day after the date he receives such program. Failure to make such final determination within such period shall be deemed to be an approval by the Secretary of such program.".

(b) The amendment made by subsection (a) of this section shall apply to any overall economic development program submitted to the Secretary of Commerce on or after the date of enactment of this section.

Renumber succeeding sections accordingly.

Mr. Chairman, the requirement in the act for a community to prepare an overall economic development program is a worthy one. It ensures that grants and loans made under this act will be part of a coordinated development effort for the community or area applying for assistance. It also ensures that a broad cross section of the community will be involved in drawing up the development plans. But preparation of one of these programs is a lot of work. The Federal Government, through the representatives of the Economic Development Administration, comes to these communities and says, "We can help you with your development problems if you will involve your people and develop some thorough plans." Then, when the local people have done all this work, they often have to wait months for any sort of approval or suggested changes from EDA.

In my own State and district we have had several examples of this kind of delay. Henry County, Ind., submitted an overall economic development program to EDA on April 21, 1975, after having incorporated suggestions made by EDA on an earlier draft OEDP. They did not receive EDA's approval until August 5, 1975, and in the interim their application for a title X EDA grant was rejected in part because they were not designated as a redevelopment area. At the present time Rush County, Jay County, and Madison County are awaiting word on their OEDP's, all of which were submitted over 60 days ago. The regional OEDP submitted by region 6 Planning and Development Commission has been awaiting approval for almost 2 months.

I think a 60-day turnaround time for these plans is reasonable. In most cases it should take much less time. If we are serious about our desire to make the Federal Government work better, let us start by holding the agencies to some time deadlines.

Mr. ROE. We certainly share the gentleman's concern with excessive "red-tape" in the administration of the program because I have had the same problem in Bergen County in New Jersey. I want to assure the gentleman that the Economic Development Subcommittee will investigate this problem and recommend any legislation that is needed.

Mr. SHARP. I thank the chairman for his concern and for his assurances of oversight hearings on the Economic Development Administration. With his indication that these hearings will be held early next year and that they will cover the problem of administrative delays, I will withdraw my amendment.

Mr. HAMMERSCHMIDT. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. Pursuant to the rule, the Clerk will now read the committee amendment in the nature of a substitute printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 101. This Act may be cited as the "Public Works and Economic Development Act Amendments of 1976".

SEC. 102. Section 2 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 312) is amended by inserting at the end the following new sentence: "Congress further declares that, in furtherance of maintaining the national economy at a high level, the assistance authorized by this Act should be made available to both rural and urban areas; that such assistance be available for planning for economic development prior to the actual occurrences of economic distress in order to avoid such conditions; and that such assistance be used for long-term economic rehabilitation in areas where long-term economic deterioration has occurred or is taking place.".

SEC. 103. (a) Section 101 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3131) is amended by striking out subsection (e).

(b) The second sentence of subsection (c) of section 101 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3131) is amended by striking out "may" each of the two places it appears and inserting in lieu thereof at each such place "shall".

SEC. 104. The first sentence of section 102 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3132) is amended—

(1) by striking out "and June 30, 1976," and inserting in lieu thereof "June 30, 1976, September 30, 1977, September 30, 1978, and September 30, 1979."; and

(2) by inserting immediately before "shall be available" the following: ", and for the period begining July 1, 1976, and ending September 30, 1976, not to exceed $7,500,000 of the funds authorized to be appropriated under such section 105 for such period,".

SEC. 105. Section 105 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3135) is amended—

(1) by striking out the period at the end of the first sentence and inserting in lieu thereof the following: ", not to exceed $62,500,000 for the period beginning July 1, 1976, and ending September 30, 1976, and not to exceed $250,000,000 per fiscal year for the fiscal years ending September 30, 1977, September 30, 1978, and September 30, 1979.";

(2) by striking out "and June 30, 1976," in the third sentence and inserting in lieu thereof "June 30, 1976, the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal years ending September 30, 1977, September 30, 1978, and September 30, 1979,"; and

(3) by striking out "10 per centum" in the third sentence and inserting in lieu thereof "25 per centum".

SEC. 106. Title I of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3131–3136) is further amended by adding at the end thereof the following:

"CONSTRUCTION COST INCREASES

"SEC. 107. In any case where a grant (including a supplemental grant) has been made under this title for a project and after such grant has been made but before completion of the project, the cost of such project based upon the designs and specifications which were the basis of the grant has been increased because of increases in costs, the amount of such grant may be increased by an amount equal to the percentage increase, as determined by the Secretary, in such costs, but in no event shall the percentage of the Federal share of such project exceed that originally provided for in such grant.".

SEC. 107. (a) Section 201(c) (42 U.S.C. 3141) is amended to read as follows:

"(c) There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this section and section 202, except that annual appropriations for the purpose of purchasing evidences of indebtedness, paying interest supplement to or on behalf of private entities making and participating in loans, and guaranteeing loans, shall not exceed $170,000,000 for the fiscal year ending June 30, 1966, and for each fiscal year thereafter through the fiscal year ending June 30, 1973, and shall not exceed $55,000,000 for the fiscal year ending June 30, 1974, and shall not exceed $75,000,000 for the fiscal years ending June 30, 1975, and June 30, 1976, and shall not exceed $18,750,000 for the period beginning July 1, 1976, and ending September 30, 1976, and shall not exceed $200,000,000 per fiscal year for the fiscal years ending September 30, 1977, September 30, 1978, and September 30, 1979.".

(b) Section 201 of such Act is further amended by striking subsection (d) of such section.

(c) Section 202(a)(1) of such Act is amended by adding after paragraph (1) the following new paragraph:

"(2) In addition to any other financial assistance under this title, the Secretary is authorized, in the case of any loan guarantee under authority of paragraph (1) of this sec-

tion to pay to or on behalf of the private borrower an amount sufficient to reduce up to 4 percentage points the interest paid by such borrower on such guaranteed loans. Payments made to or on behalf of such borrower shall be made no less often than annually.

(d) Section 202(a) of such Act is amended by renumbering existing paragraph (2) as (3), including any references thereto.

SEC. 108. Section 202(a)(3) of the Public Works and Economic Development Act of 1965 (as redesignated by section 107 of this Act) is amended by striking out the period at the end thereof and adding the following: "(D) paying those debts with respect to which a lien against property has been legally obtained (including the refinancing of any such debt) in any case where the Secretary determines that it is essential to do so in order to save employment in a designated area, to avoid a significant rise in unemployment, or to create new or increased employment."

SEC. 109. The fourth sentence of subsection (a) of section 302 of the Public Works and Economic Development Act of 1965 is amended to read as follows: "Any overall State economic development plan prepared with assistance under this section shall be prepared cooperatively by the State, its political subdivisions, and economic development districts located in whole or in part within such State, and such State plan shall, to the extent possible, be consistent with local and economic development district plans.".

SEC. 110. Section 303(a) of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3152) is amended by striking out the period at the end thereof and inserting in lieu thereof the following: ", $18,750,000 for the period beginning July 1, 1976, and ending September 30, 1976, and $75,000,000 per fiscal year for the fiscal years ending September 30, 1977, September 30, 1978, and September 30, 1979.".

SEC. 111. (a) Section 304(a) of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3153) is amended by inserting immediately after "June 30, 1976," the following: "$18,750,000 for the period beginning July 1, 1976, and ending September 30, 1976, and $75,000,000 per fiscal year for the fiscal years ending September 30, 1977, September 30, 1978, and September 30, 1979,".

(b) Section 304(a) of such Act is further amended by striking out "titles I, II, and IV" and inserting in lieu thereof "titles I, II, III, IV, and IX".

(c) Section 304(c) of such Act is amended by striking out "title I, II, or IV" and inserting in lieu thereof "title I, II, III, IV, or IX".

SEC. 112. Section 401(b)(4) of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3161) is amended by striking out "two hundred and".

SEC. 113. Section 403(g) of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3171) is amended by inserting immediately after "June 30, 1976," the following: "not to exceed $11,250,000 for the period beginning July 1, 1976, and ending September 30, 1976, and not to exceed $45,000,000 per fiscal year for the fiscal years ending September 30, 1977, September 30, 1978, and September 30, 1979,".

SEC. 114. Section 404 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3172) is amended by striking out ", and June 30, 1976," and inserting in lieu thereof the following: "and June 30, 1976, not to exceed $6,250,000 for the period beginning July 1, 1976, and ending September 30, 1976, and not to exceed $25,000,000 per fiscal year for the fiscal years ending September 30, 1977, September 30, 1978, and September 30, 1979,".

SEC. 115. Title IV of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3161 et seq.) is further amended by adding at the end thereof the following:

"PART D—URBAN ECONOMIC DEVELOPMENT

"SEC. 405. (a) For the purposes of this section, the term 'city' means (A) any unit of general local government which is classified as a municipality by the Bureau of the Census, or (B) any other unit of general local government which is a town or township and which, in the determination of the Secretary, (i) possesses powers and performs functions comparable to those associated with municipalities, (ii) is closely settled, and (iii) contains within its boundaries no incorporated places as defined by the Bureau of the Census.

"(b) The Secretary shall designate as a 'redevelopment area' any city having a population of fifty thousand or more which he determines has one or more of the following conditions within its boundaries:

"(A) a large concentration of low-income persons;

"(B) substantial out-migration;

"(C) substantial unemployment or underemployment;

"(D) an actual or threatened abrupt rise of unemployment due to the closing or curtailment of a major source of employment;

"(E) long-term economic deterioration.

No city shall be designated a redevelopment area under this section until it has an approved overall economic development program in accordance with subsection 202(b)(10) of this Act. Any such redevelopment area shall be entitled to the assistance authorized by this Act, except that only funds authorized by subsection (d) of this section shall be expended in providing such assistance to a city whose only designation as a 'redevelopment area' is under this section. Nothing in this section shall be construed to prohibit the designation of a city as a 'redevelopment area' under this section in addition to its designation as a 'redevelopment area' under any other provision of this Act, and nothing in this section shall be construed to prohibit a city designated a 'redevelopment area' both under this section and another provision of this Act from receiving assistance under this Act through the expenditure of funds both under this section and under any other provisions of this Act.

"(c) In addition to any other assistance available under this Act, if a city that has been designated as a redevelopment area under this section prepares a plan for the redevelopment of the city or a part thereof and submits such plan to the Secretary for his approval and the Secretary approves such plan, the Secretary is authorized to make a grant to such city for the purpose of carrying out such plan. Such plan may include industrial land assembly, land banking, acquisition of surplus government property, acquisition of industrial sites including acquisition of abandoned properties with redevelopment potential, real estate development including redevelopment and rehabilitation of historical buildings for industrial and commercial use, rehabilitation and renovation of usable empty factory buildings for industrial and commercial use, and other investments which will accelerate recycling of land and facilities for job creating economic activity. Any such grant shall be made on condition (A) that the city will use such grant to make grants or loans, or both, to carry out such plans, and (B) the repayments of any loans made by the city from such grant shall be placed by such city in a revolving fund available solely for the making of other grants and loans by the city, upon approval by the Secretary, for the economic redevelopment of the city.

"(d)(1) Each eligible recipient which receives assistance under this section shall annually during the period such assistance continues make a full and complete report to the Secretary, in such manner as the Secretary shall prescribe, and such report shall contain an evaluation of the effectiveness of the economic assistance provided under this section in meeting the need it was designed to alleviate and the purposes of this section.

"(2) The Secretary shall provide an annual consolidated report to the Congress, with his recommendations, if any, on the assistance authorized under this section, in a form which he deems appropriate. The first such report to Congress under this subsection shall be made not later than July 1, 1977.

"(e) There is hereby authorized to be appropriated to carry out this section not to exceed $50,000,000 for the period beginning July 1, 1976, and ending September 30, 1976, and not to exceed $200,000,000 per fiscal year for the fiscal years ending September 30, 1977, September 30, 1978, and September 30, 1979.

"PART E—UNEMPLOYMENT RATE DETERMINATIONS

"SEC. 406. Whenever any provision of this Act requires the Secretary of Labor, or the Secretary, to make any determination or other finding relating to the unemployment rate of any area, information regarding such unemployment rate may be furnished either by the Federal Government or by a State or local government. Unemployment rates furnished by State or local governments shall be accepted by the Secretary unless he determines that such rates are inaccurate. The Secretary shall provide assistance to State and local governments in the calculation of unemployment rates to insure their validity and standardization.".

SEC. 116. (a) Section 509(c) of the Public Works and Economic Development Act of 1965 is amended by striking out the first sentence and inserting in lieu thereof the following: "The term 'Federal grant-in-aid programs' as used in this section means those Federal grant-in-aid programs authorized on or before September 30, 1979, by this Act and Acts other than this Act for the acquisition or development of land, the construction or equipment of facilities, or other community or economic development or economic adjustment activities, including but not limited to grant-in-aid programs authorized by the following Acts: Federal Water Pollution Control Act; Watershed Protection and Flood Prevention Act; titles VI and XVI of the Public Health Services Act; Vocational Education Act of 1963; Library Services and Construction Act; Federal Airport Act; Airport and Airway Development Act of 1970; part IV of title III of the Communications Act of 1934; titles VI (part A) and VII of the Higher Education Act of 1965; Land and Water Conservation Fund Act of 1965; National Defense Education Act of 1958; Consolidated Farm and Rural Development Act; and titles I and IX of this Act.".

(b) The first sentence of section 509(d)(1) of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3188a) is amended by striking out at the end thereof "and for the fiscal year ending September 30, 1977, to be available until expended, $250,000,000." and inserting in lieu thereof "and for the fiscal years ending September 30, 1977, September 30, 1978, and September 30, 1979, to be available until expended, $250,000,000 per fiscal year.".

SEC. 117. Section 509(d)(2) of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3188a) is amended by striking out at the end thereof "and for the fiscal year ending September 30, 1977, to be available until expended, not to exceed $5,000,000." and inserting in lieu thereof "and for the fiscal years ending September 30, 1977, September 30, 1978, and September 30, 1979, to be available until expended, $5,000,000 per fiscal years.".

SEC. 118. Section 704 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3214) is amended by striking out subsection (e).

SEC. 119. (a) Section 901 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3241) is amended by inserting "(including long-term economic deterioration)" immediately after "economic conditions".

(b) Section 903(a)(1) of such Act (42 U.S.C. 3243) is amended—

(1) by inserting "(A)" immediately before "which the Secretary";

(2) by inserting ", or (B) has demonstrated long-term economic deterioration," immediately after "Federal Government)";

(3) by inserting "and businesses" immediately after "relocation of individuals"; and

(4) by striking out "and other appropriate assistance." and inserting in lieu thereof the following: "and other assistance which demonstrably furthers the economic adjustment objectives as stated in the plan.".

(c) Section 903(a)(2)(A) of such Act is amended by inserting immediately after "loan guarantees," the following: "payments to reduce interest on loan guarantees,".

(d) Section 903(a) of such Act is further amended by adding at the end thereof the following new paragraph:

"(3) The Secretary is specifically authorized to make grants pursuant to paragraph (1) to those eligible recipients having long-term economic deterioration which demonstrate the following characteristics—

"(A) an unemployment rate during the twelve-month period preceding the application for the grant which exceeded the national unemployment rate for at least six consecutive months during such period based on unemployment statistics provided by the Department of Labor or on locally generated data acquired using a methodology approved by the Secretary;

"(B) at least 15 per centum of the population below the poverty levels defined by the Office of Management and Budget;

"(C) an economic development planning and management capacity adequate to effectively administer the grant.".

(e) Section 905 of such Act (42 U.S.C. 3245) is amended—

(1) by inserting "(a)" after "SEC. 905.";

(2) by inserting "(except for grants specifically authorized by section 903(a)(3))" after "to carry out this title";

(3) by striking out "and" before "$100,000,000";

(4) by striking out the period at the end thereof and inserting in lieu thereof the following: ", not to exceed $25,000,000 for the transition quarter ending September 30, 1976, and not to exceed $100,000,000 per fiscal year for the fiscal years ending September 30, 1977, September 30, 1978, and September 30, 1979."; and

(5) by adding at the end thereof the following new subsection:

"(b) There is authorized to be appropriated to carry out the provisions of section 903(a)(3) of this title not to exceed $6,250,000 for the transition quarter ending September 30, 1976, and not to exceed $25,000,000 per fiscal year for the fiscal years ending September 30, 1977, September 30, 1978, and September 30, 1979.".

SEC. 120. Section 2 of the Act entitled "An Act to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for titles I through IV through fiscal year 1971", approved July 6, 1970 (Public Law 91-304), is amended by striking out "June 1, 1976," and inserting in lieu thereof "September 30, 1979,".

Mr. ROE (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The CHAIRMAN. Are there any amendments? If not, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MITCHELL of Maryland, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 9398) to amend the Public Works and Economic Development Act of 1965 to extend the authorization for a 3-year period, pursuant to House Resolution 1283, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. HAMMERSCHMIDT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 372, nays 5, not voting 54, as follows:

[Roll No. 673]

YEAS—372

Abdnor	Brademas	Coughlin
Abzug	Breaux	D'Amours
Adams	Breckinridge	Daniel, Dan
Addabbo	Brinkley	Daniel, R. W.
Allen	Brodhead	Daniels, N.J.
Ambro	Brooks	Danielson
Anderson, Calif.	Broomfield	Davis
Anderson, Ill.	Brown, Calif.	Delaney
Andrews, N.C.	Brown, Ohio	Dellums
Andrews, N. Dak.	Broyhill	Dent
Annunzio	Buchanan	Derrick
Archer	Burgener	Derwinski
Armstrong	Burke, Calif.	Devine
Ashbrook	Burke, Fla.	Diggs
Ashley	Burke, Mass.	Dingell
Aspin	Burleson, Tex.	Dodd
AuCoin	Burlison, Mo.	Downey, N.Y.
Bafalis	Burton, John	Downing, Va.
Baldus	Burton, Phillip	Drinan
Baucus	Butler	Duncan, Oreg.
Bauman	Byron	Duncan, Tenn.
Beard, R.I.	Carney	Early
Beard, Tenn.	Carr	Edgar
Bedell	Carter	Edwards, Ala.
Bennett	Cederberg	Edwards, Calif.
Bergland	Chappell	Eilberg
Bevill	Clancy	Emery
Biaggi	Clausen, Don H.	English
Biester	Clawson, Del	Erlenborn
Bingham	Cleveland	Evans, Ind.
Blanchard	Cochran	Fary
Blouin	Cohen	Fascell
Boggs	Conable	Fenwick
Boland	Conte	Findley
Bolling	Conyers	Fish
Bonker	Corman	Flood
Bowen	Cornell	Florio
	Cotter	Flowers
		Flynt
Foley	McDade	Roncalio
Ford, Mich.	McEwen	Rooney
Fountain	McFall	Rose
Fraser	McHugh	Rosenthal
Frenzel	McKay	Rostenkowski
Gaydos	McKinney	Roush
Gibbons	Madden	Rousselot
Gilman	Madigan	Roybal
Ginn	Maguire	Runnels
Goldwater	Mahon	Ruppe
Gonzalez	Mann	Russo
Goodling	Martin	Ryan
Gradison	Mathis	St Germain
Grassley	Matsunaga	Santini
Gude	Mazzoli	Sarasin
Guyer	Meeds	Sarbanes
Hagedorn	Melcher	Satterfield
Haley	Metcalfe	Scheuer
Hall, Ill.	Meyner	Schneebeli
Hall, Tex.	Mezvinsky	Schroeder
Hamilton	Michel	Schulze
Hammer-schmidt	Mikva	Seiberling
Hanley	Miller, Calif.	Sharp
Hannaford	Miller, Ohio	Shipley
Hansen	Mills	Shriver
Harkin	Mineta	Shuster
Harrington	Minish	Sikes
Harris	Mink	Simon
Harsha	Mitchell, Md.	Skubitz
Hayes, Ind.	Mitchell, N.Y.	Slack
Hébert	Moakley	Smith, Iowa
Hechler, W. Va.	Moffett	Smith, Nebr.
Heckler, Mass.	Mollohan	Snyder
Hefner	Montgomery	Solarz
Henderson	Moore	Spellman
Hicks	Moorhead, Calif.	Spence
Hightower	Morgan	Staggers
Hillis	Mosher	Stanton, J. William
Holland	Moss	Stark
Holt	Mottl	Steed
Holtzman	Murphy, Ill.	Steiger, Wis.
Horton	Murphy, N.Y.	Stephens
Howard	Murtha	Stokes
Howe	Myers, Ind.	Stratton
Hubbard	Myers, Pa.	Stuckey
Hughes	Natcher	Studds
Hungate	Neal	Sullivan
Hutchinson	Nedzi	Symington
Hyde	Nichols	Symms
Ichord	Nix	Talcott
Jacobs	Nolan	Taylor, Mo.
Jarman	Nowak	Taylor, N.C.
Jeffords	Oberstar	Teague
Jenrette	Obey	Thompson
Johnson, Calif.	O'Brien	Thone
Johnson, Colo.	O'Hara	Traxler
Johnson, Pa.	O'Neill	Treen
Jones, N.C.	Ottinger	Tsongas
Jones, Okla.	Passman	Udall
Jones, Tenn.	Patten, N.J.	Ullman
Jordan	Patterson, Calif.	Van Deerlin
Kasten	Pattison, N.Y.	Vander Jagt
Kastenmeier	Pepper	Vanik
Kazen	Perkins	Vigorito
Kelly	Pettis	Waggonner
Kemp	Pickle	Walsh
Ketchum	Pike	Wampler
Keys	Poage	Waxman
Koch	Pressler	Weaver
Krebs	Preyer	Whalen
Krueger	Price	White
Lagomarsino	Prichard	Whitehurst
Landrum	Quie	Wiggins
Latta	Quillen	Wilson, Bob
Leggett	Railsback	Wilson, Tex.
Lent	Randall	Winn
Levitas	Rangel	Wirth
Lloyd, Calif.	Regula	Wolff
Lloyd, Tenn.	Reuss	Wright
Long, La.	Richmond	Wydler
Long, Md.	Rinaldo	Yates
Lott	Roberts	Yatron
Lujan	Robinson	Young, Fla.
Lundine	Rodino	Young, Tex.
McClory	Roe	Zablocki
McCollister	Rogers	
McCormack		

NAYS—5

Collins, Tex.	Kindness	Paul
Crane	McDonald	

NOT VOTING—54

Alexander	Dickinson	Ford, Tenn.
Badillo	du Pont	Forsythe
Bell	Eckhardt	Frey
Brown, Mich.	Esch	Fuqua
Chisholm	Eshleman	Giaimo
Clay	Evans, Colo.	Green
Collins, Ill.	Evins, Tenn.	Hawkins
Conlan	Fisher	Hays, Ohio
de la Garza	Fithian	Heinz

Helstoski	Rees	Thornton
Hinshaw	Rhodes	Vander Veen
Jones, Ala.	Riegle	Whitten
Karth	Risenhoover	Wilson, C. H.
LaFalce	Sebelius	Wylie
Lehman	Sisk	Young, Alaska
McCloskey	Stanton,	Young, Ga.
Milford	James V.	Zeferetti
Moorhead, Pa.	Steelman	
Peyser	Steiger, Ariz.	

The Clerk announced the following pairs:

Mr. Lehman with Mr. Bell.
Mr. LaFalce with Mr. Wylie.
Mr. Helstoski with Mr. Karth.
Mr. Zeferetti with Mr. Conlan.
Mr. Badillo with Mr. du Pont.
Mr. Young of Georgia with Mr. Evans of Colorado.
Mr. Ford of Tennessee with Mr. Forsythe.
Mr. Fithian with Mr. Brown of Michigan.
Mr. de la Garza with Mr. Green.
Mr. Fuqua with Mr. Esch.
Mrs. Collins of Illinois with Mr. Evins of Tennessee.
Mr. Giaimo with Mr. Dickinson.
Mr. Hawkins with Mr. Hays of Ohio.
Mr. Charles H. Wilson of California with Mr. Jones of Alabama.
Mr. Whitten with Mr. Eshleman.
Mrs. Chisholm with Mr. McCloskey.
Mr. Alexander with Mr. Frey.
Mr. Fisher with Mr. Preyer.
Mr. Sisk with Mr. Riegle.
Mr. Thornton with Mr. Heinz.
Mr. Vander Veen with Mr. Sebelius.
Mr. Clay with Mr. Rees.
Mr. Eckhardt with Mr. Steelman.
Mr. Moorhead of Pennsylvania with James V. Stanton.
Mr. Risenhoover with Mr. Steiger of Arizona.
Mr. Milford with Mr. Young of Alaska.

Mr. BONKER and Mr. EDWARDS of California changed their vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. ROE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2228) to amend the Public Works and Economic Development Act of 1965, as amended, to extend the authorizations for a 3-year period, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2228

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I

SEC. 101. The second sentence of section 101(c) of the Public Works and Economic Development Act of 1965, as amended, is amended to read as follows: "In the case of any State, political subdivision thereof, or Community Development Corporation which the Secretary determines has exhausted its effective taxing or borrowing capacity, the Secretary may reduce the non-Federal share below such per centum or waive the non-Federal share in the case of such a grant for a project in a redevelopment area designated as such under section 401(a)(6) of this Act.".

SEC. 102. The first sentence of section 102 of the Public Works and Economic Development Act of 1965, as amended, is amended—

(1) by striking out "and June 30, 1976," and inserting in lieu thereof "June 30, 1976, September 30, 1977, September 30, 1978, and September 30, 1979,"; and

(2) by inserting immediately before "shall be available" the following: ", and for the period beginning July 1, 1976, and ending September 30, 1976, not to exceed $7,500,000 of the fund authorized to be appropriated under such section 105 for such period,".

SEC. 103. Section 105 of the Public Works and Economic Development Act of 1965, as amended, is amended—

(1) by striking out the period at the end of the first sentence and inserting in lieu thereof the following: ", not to exceed $62,500,000 for the period beginning July 1, 1976, and ending September 30, 1976, and not to exceed $450,000,000 per fiscal year for the fiscal years ending September 30, 1977, September 30, 1978, and September 30, 1979.";

(2) by striking out "and June 30, 1976," in the third sentence and inserting in lieu thereof "June 30, 1976, the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal years ending September 30, 1977, September 30, 1978, and September 30, 1979,".

SEC. 104. (a) Title I of the Public Works and Economic Development Act of 1965, as amended, is further amended by adding the following new section at the end thereof:

"URBAN ECONOMIC DEVELOPMENT

"SEC. 107. (a) Any municipality with a population of fifty thousand or more which has been designated a 'redevelopment area' or which is within the boundaries of a 'redevelopment area' shall be eligible on a priority basis for the assistance as authorized by section 101(a)(1) of this Act if (i) or (ii) and either (iii) or (iv) of the following indicators of economic distress is determined by the Secretary to be present—

"(i) 15 per centum of a municipality's population below poverty level as defined by the Office of Management and Budget;

"(ii) unemployment at least 50 per centum above the national unemployment rate for the preceding twenty-four months;

(iii) significant decline in per capita employment over the preceding three-year period; or

"(iv) deterioration of a municipality's economic base including industrial, commercial, and other facilities, as determined by the Secretary.

"(b) Not to exceed 20 per centum of the first $250,000,000 appropriated under section 105 and not to exceed 35 per centum of appropriations in excess of $250,000,000 shall be available for eligible urban areas under this title. Any municipality qualifying for assistance under this section shall not be eligible for other assistance under title I of this Act.

"(c) Projects funded by this priority assistance program must relate to the number and needs of unemployed persons in the eligible areas and contribute significantly to the reduction of unemployment in the area for which the eligibility was determined.

"(d) Each municipality seeking assistance under this section must have a current approved overall economic development program or where appropriate prepare such a program for approval in accodance with subsection 202(b)(10) of this Act prior to receiving assistance under this section. Such planning programs should be coordinated with planning of other jurisdictions in the metropolitan area. The development program shall also be coordinated with activity in the city under the Comprehensive Employment and Training Act and the community development block grant program.".

(b) Section 401(a)(8) of the Public Works and Economic Development Act of 1965, as amended, is amended to read as follows:

"(8) those areas which the Secretary of Labor determines, on the basis of average annual available unemployment statistics, were areas with unemployment at least 50 per centum above the national unemployment rate for the preceding twenty-four months.".

SEC. 105. Section 201(c) of the Public Works and Economic Development Act of 1965, as amended, is amended by striking the period at the end thereof and inserting the following: ", and shall not exceed $18,750,000 for the period beginning July 1, 1976, and ending September 30, 1976, and shall not exceed $125,000,000 per fiscal year for the fiscal years ending September 30, 1977, September 30, 1978, and September 30, 1979.".

SEC. 106. Section 303 of the Public Works and Economic Development Act of 1965, as amended, is amended—

(1) by striking the period at the end of subsection (a) and inserting the following: ", $18,750,000 for the period beginning July 1, 1976, and ending September 30, 1976, and $75,000,000 per fiscal year for the fiscal years ending September 30, 1977, September 30, 1978, and September 30, 1979.";

(2) by inserting after "1976" in subsection (b) the following: ", not to exceed $3,750,000 for the period beginning July 1, 1976, and ending September 30, 1976, not to exceed $15,000,000 in each of the fiscal years ending September 30, 1977, September 30, 1978, and September 30, 1979,".

SEC. 107. Section 304(a) of the Public Works and Economic Development Act of 1965, as amended, is amended by inserting after "June 30, 1976," the following: "$18,750,000 for the period beginning July 1, 1976, and ending September 30, 1976, and $75,000,000 per fiscal year for the fiscal years ending September 30, 1977, September 30, 1978, and September 30, 1979,".

SEC. 108. Section 401(a)(1)(A) of the Public Works and Economic Development Act of 1965, as amended, is amended by striking "available calendar year" and inserting in lieu thereof "twelve consecutive months".

SEC. 109. Section 403(g) of the Public Works and Economic Development Act of 1965, as amended, is amended by inserting immediately after "June 30, 1976," the following: "not to exceed $11,250,000 for the period beginning July 1, 1976, and ending September 30, 1976, and not to exceed $45,000,000 per fiscal year for the fiscal year ending September 30, 1977, September 30, 1978, and September 30, 1979,".

SEC. 110. Section 404 of the Public Works and Economic Development Act of 1965, as amended, is amended by inserting after "June 30, 1976" the following ", not to exceed $6,250,000 for the period beginning July 1, 1976, and ending September 30, 1976, and not to exceed $25,000,000 per fiscal year for the fiscal years ending September 30, 1977, September 30, 1978, and September 30, 1979,".

SEC. 111. Section 509(c) of the Public Works and Economic Development Act of 1965 as amended, is amended by striking out the first sentence and inserting in lieu thereof the following: "The term 'Federal grant-in-aid programs' as used in this section means those Federal grant-in-aid programs authorized on or before September 30, 1979, by this Act and Acts other than this Act for the acquisition or development of land, the construction or equipment of facilities, or other community or economic development or economic adjustment activities, including but not limited to grant-in-aid programs authorized by the following Acts: Federal Water Pollution Control Act; Watershed Protection and Flood Prevention Act; titles VI and XVI of the Public Health Services Act; Vocational Education Act of 1963; Library Services and Construction Act; Federal Airport Act; Airport and Airway Development Act of 1970; part IV of title III of the Communications

Act of 1934; titles VI (part A) and VII of the Higher Education Act of 1965; Land and Water Conservation Fund Act of 1965; National Defense Education Act of 1958; Consolidated Farm and Rural Development Act; and titles I and IX of this Act.".

SEC. 112. The first sentence of section 509 (d)(1) of the Public Works and Economic Development Act of 1965, as amended, is amended by striking out "and for the fiscal year ending September 30, 1977, to be available until expended, $250,000,000." and inserting in lieu thereof "and for the fiscal year ending September 30, 1977, September 30, 1978, and September 30, 1979, to be available until expended, $250,000,000 per fiscal year.".

SEC. 113. Section 104(e) of the Public Works and Economic Development Act of 1965, as amended, is amended by striking the period and adding at the end thereof the following: ": *Provided*, That this prohibition shall not apply to a publicly-owned utility which seeks financial assistance to cover the costs of transmission or distribution facilities for electric energy or natural gas. Such assistance shall be limited to the difference between the revenue derived over the project life from the sale of electricity or natural gas and the costs associated with the transmission and distribution of the electricity or natural gas.".

SEC. 114. Section 905 of the Public Works and Economic Development Act of 1965, as amended, is amended by striking out the period at the end thereof and inserting the following. ", not to exceed $25,000,000 for the period beginning July 1, 1976, and ending September 30, 1976, and not to exceed $100,000,000 per fiscal year for the fiscal years ending September 30, 1977, September 30, 1978, and September 30, 1979.".

SEC. 115. Section 515(c) of the Public Works and Economic Development Act, as amended, is amended by deleting the following: "Not to exceed $5,000,000 of the funds apportioned to each regional commission under section 509 of this title shall be expended in any one fiscal year for the purpose of carrying out the energy-related provisions of this section and".

SEC. 116. Section 701 of the Public Works and Economic Development Act of 1965, as amended, is amended by adding the following new paragraph and renumbering subsequent paragraphs accordingly:

"(11) reobligate funds previously obligated under title I, section 201 of title II, or section 403 of title IV for projects which cannot be initiated or completed without regard to the purpose or locaton of the incomplete or uninitiated project: *Provided, however*, That such previously obligated funds must remain in the same State or States as the initial obligation and the project for which funds will be reobligated must meet all the requirements of this Act;".

SEC. 117. Section 1002 of the Public Works and Economic Development Act of 1965, as amended, is amended by striking the entire section and inserting the following:

"SEC. 1002. For the purpose of this title the term 'eligible area' means any area, which the Secretary of Labor designates as an area which has a rate of unemployment equal to or in excess of 7 per centum for the most recent calendar quarter or any area designated pursuant to section 204(c) of the Comprehensive Employment and Training Act of 1973 which has unemployment equal to or in excess of 7 per centum, with special consideration given to areas with unemployment rates above the national average.".

SEC. 117. (a) Section 1003(c) of the Public Works and Economic Development Act of 1965, as amended, is amended to read as follows:

"(c) Where necessary to effectively carry out the purposes of this title, the Secretary of Commerce is authorized to assist eligible areas in making applications for grants under this title.".

(b) Section 1003(d) of such Act, as amended, is amended to read as follows:

"(d) Notwithstanding any other provisions of this title, funds allocated by the Secretary of Commerce shall be available only for a program or project which the Secretary identifies and selects pursuant to this subsection, and which can be initiated or implemented promptly and substantially completed within twelve months after allocation is made. In identifying and selecting programs and projects pursuant to this subsection, the Secretary shall (1) give priority to programs and projects which are most effective in creating and maintaining productive employment, including permanent and skilled employment measured as the amount of such direct and indirect employment generated or supported by the additional expenditures of Federal funds under this title, and (2) consider the appropriateness of the proposed activity to the number and needs of unemployed persons in the eligible area.".

(c) Section 1033(e) of such Act, is amended to read as follows:

"(e)(1) The Secretary, if the national unemployment rate is equal to or exceeds 7 per centum for the most recent calendar quarter, shall expedite and give priority to grant applications submitted for such areas having unemployment in excess of the national average rate of unemployment for the most recent calendar quarter. Seventy per centum of the funds appropriated pursuant to this title shall be available only for grants in areas as defined in the first sentence of this subsection.

"(2) Not more than 15 per centum of all amounts appropriated to carry out this title shall be available under this title for projects or programs within any one State, except that in the case of Guam, Virgin Islands, and American Samoa, not less than one-half of 1 per centum in the aggregate shall be available for such projects or programs.".

SEC. 118. Section 104 of the Public Works and Economic Development Act of 1965, as amended, is amended to read as follows:

"SEC. 1004. (a) Within forty-five days after enactment of the Emergency Job and Unemployment Assistance Act of 1974 or within forty-five days after any funds are appropriated to the Secretary to carry out the purposes of this title, each department, agency, or instrumentality of the Federal Government, each regional commission established by section 101 of the Appalachian Regional Development Act of 1965 or pursuant to section 502 of this Act, shall (1) complete a review of its budget, plans, and programs and including State, substate, and local development plans filed with such department, agency, or commission; (2) evaluate the job creation effectiveness of programs and projects for which funds are proposed to be obligated in the calendar year and additional programs and projects (including new or revised programs and projects submitted under subsection (b)) for which funds could be obligated in such year with Federal financial assistance under this title; and (3) submit to the Secretary of Commerce recommendations for programs and projects which have the greatest potential to stimulate the creation of jobs for unemployed persons in eligible areas. Within forty-five days of the receipt of such recommendations the Secretary of Commerce shall review such recommendations, and after consultation with such department, agency, instrumentality, regional commission, State, or local government make allocations of funds in accordance with section 1003(d) of this title.

"(b) State and political subdivisions in any eligible area may, pursuant to subsection (a), submit to the appropriate department, agency, or instrumentality of the Federal Government (or regional commission) program and project applications for Federal financial assistance provided under this title.

"(c) The Secretary, in reviewing programs and projects recommended for any eligible area shall give priority to programs and projects originally sponsored by States and political subdivisions, including, but not limited to, new or revised programs and projects submitted in accordance with this section.".

SEC. 119. Section 1005 of the Public Works and Economic Development Act of 1965, as amended, is amended by striking such section and renumbering subsequent sections accordingly.

SEC. 120. Section 1005 of the Public Works and Economic Development Act of 1965, as amended, as redesignated by this Act, is amended by striking the period and inserting the following at the end thereof: "unless this would require project grants to be made in areas which do not meet the criteria of this title.".

SEC. 121. (a) Section 1006 of the Public Works and Economic Development Act of 1965, as amended, as redesignated by this Act, is amended to read as follows:

"SEC. 1006. (a) There are hereby authorized to be appropriated to carry out the provisions of this title $125,000,000 for each calendar quarter of a fiscal year during which the national average unemployment is equal to or exceeds 7 per centum on the average. No further appropriation of funds is authorized under this section if a determination is made that the national average rate of unemployment has receded below an average of 7 per centum for the most recent calendar quarter as determined by the Secretary of Labor.

"(b) Funds authorized by subsection (a) are available for grants by the Secretary when the national average unemplomentis equal to or in excess of an average of 7 per centum for the most recent calendar quarter. If the national average unemployment rate recedes below an average of 7 per centum for the most recent calendar quarter, the authority of the Secretary to make grants or obligate funds under this title is terminated. Grants may not be made until the national average unemployment has equalled or exceeded an average of 7 per centum for the most recent calendar quarter.

"(c) Funds authorized to carry out this title shall be in addition to, and not in lieu of any amounts authorized by other provisions of law.".

SEC. 122. Section 1007 as redesignated by this Act is amended by striking "December 31, 1975" and inserting in lieu thereof "September 30, 1979".

SEC. 123. Title X of the Public Works and Economic Development Act of 1965 is further amended by adding at the end thereof the following new section:

"CONSTRUCTION COSTS

"SEC. 1008. No program or project originally approved for funds under an existing program shall be determined to be ineligible for Federal financial assistance under this title solely because of increased construction costs.".

TITLE II

SEC. 201. The President of the United States is authorized and requested to call a White House Conference on Balanced National Growth and Economic Development within one year of the date of enactment of this Act in order to develop recommendations for further action toward balanced national growth and economic development, and to take account of present conditions and trends as set forth in the report accompanying this Act. Such conference shall be planned and conducted under the direction of the domestic council with the cooperation and assistance of such other Federal depart-

ments and agencies, including the regional commissions established under the Appalachian Regional Development Act and title V of Public Works and Economic Development Act.

(b) For the purpose of arriving at facts and recommendations concerning the utilization of skills, experience, and energies and the improvement of our country's social and economic needs, the conference shall assemble representatives of government, business, labor, and other citizens and representatives of institutions who could work together for balanced national growth and economic development.

(c) A final report of the White House Conference on Balanced National Growth and Economic Development shall be submitted to the President not later than one hundred and eighty days following the date on which the conference is called and findings and recommendations included therein shall be immediately made available to the public. The President shall, within ninety days after the submission of such final report, transmit to the Congress his recommendations for the administrative action and legislation necessary to implement the recommendations contained in such report.

SEC. 202. In administering this joint resolution, the Secretaries shall—

(1) request the cooperation and assistance of such other Federal departments and agencies as may be appropriate;

(2) give all reasonable assistance, including financial assistance, to the States to enable them to organize and conduct conferences on balanced growth and economic development;

(3) prepare and make available background materials for the use of delegates to the White House Conference on Balanced National Growth and Economic Development as they may deem necessary;

(4) prepare and distribute interim reports of the White House Conference on Balanced National Growth and Economic Development as may be appropriate; and

(5) engage such personnel as may be necessary without regard to the provisions of title 5, United States Code, governing appointments in the competitive civil service, and without regard to chapter 57 and subchapter 53 of such title relating to classification and General Schedule pay rates.

SEC. 203. For the purpose of this joint resolution the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

SEC. 204. The Secretaries are authorized and directed to establish an Advisory Committee to the White House Conference on Balanced National Growth and Economic Development composed of fifteen members of whom not less than five shall represent businesses in the private sector and the Secretaries of the Departments of Commerce, Agriculture, Housing and Urban Development, and relevant Federal program managers.

MOTION OFFERED BY MR. ROE

Mr. ROE. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ROE moves to strike out all after the enacting clause of the Senate bill S. 2228 and to insert in lieu thereof the provisions of the bill H.R. 9398, as passed, by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

A similar House bill (H.R. 9398) was laid on the table.

APPOINTMENT OF CONFEREES ON S. 2228, AMENDING THE PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965

Mr. ROE. Mr. Speaker, I ask unanimous consent that the House insist on its amendment to the Senate bill (S. 2228) to amend the Public Works and Economic Development Act of 1965, as amended, to extend the authorizations for a 3-year period, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey? The Chair hears none, and appoints the following conferees: Messrs. ROE, WRIGHT, HOLLAND, OBERSTAR, NOWAK, HAMMERSCHMIDT, and DON H. CLAUSEN.

GENERAL LEAVE

Mr. ROE. Mr. Speaker, I ask unanimouse consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

AUTHORIZING PRINTING OF ADDITIONAL COPIES OF PROGRAM RELATING TO PRESENTATION OF THE MAGNA CARTA

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I call up a resolution (H. Res. 1333) authorizing the printing of additional copies of the program relating to the presentation of the Magna Carta, and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 1333

Resolved, That there shall be printed for use of the House of Representatives one thousand additional copies of the program on the occasion of the presentation of the Magna Carta to the American people on June 3, 1976.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR PRINTING OF A COMPILATION OF MATERIALS COMMEMORATING THE YEARS OF SERVICE OF JUSTICE WILLIAM O. DOUGLAS

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I call up the concurrent resolution (H. Con. Res. 513) providing for the printing of a compilation of materials commemorating the years of service of Justice William O. Douglas, and ask for its immediate consideration.

The Clerk read the concurrent resolution as follows:

H. CON. RES. 513

Resolved by the House of Representatives (the Senate concurring), That there be printed, with an appropriate illustration, as a House document, a compilation of materials commemorating the years of service of Justice William O. Douglas on the occasion of his retirement from the United States Supreme Court, including: tributes by the Members of the House and of the Senate in the Halls of Congress; and various articles and editorials relating to the life and work of Justice William O. Douglas and his contributions to the well-being of the American people.

SEC. 2. There shall be printed and bound as directed by the Joint Committee on Printing four thousand six hundred copies of which one hundred copies shall be for the use of the House Committe on the Judiciary, one thousand seven hundred and seventy-five copies shall be for the use of the House Administration Committee, two thousand two hundred and ten copies shall be for the use of the House of Representatives, and five hundred and fifteen copies shall be for the use of the Senate.

SEC. 3. Copies of such document shall be pro rated to Members of the Senate and the House of Representatives for a period of sixty days, after which the unused balance shall revert to the respective Senate and House document rooms.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING PRINTING OF 2,000 COPIES OF JOINT COMMITTEE ON ATOMIC ENERGY PRINT ENTITLED "REVIEW OF NATIONAL BREEDER REACTOR PROGRAM"

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I call up the concurrent resolution (H. Con. Res. 592) authorizing the printing of 2,000 copies of a Joint Committee on Atomic Energy print entitled "Review of National Breeder Reactor Program" and ask for its immediate consideration.

The Clerk read the concurrent resolution as follows:

H. CON RES. 592

Resolved by the House of Representatives (the Senate concurring), That there shall be printed for the use of the Joint Committee on Atomic Energy two thousand copies of the committee print entitled "Review of National Breeder Reactor Program", a report by the Committee's Ad Hoc Subcommittee To Review the Liquid Metal Fast Breeder Reactor Program.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR PRINTING OF DOCUMENT ENTITLED "THE WORKING CONGRESS"

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administrat ion, I call up the concurrent resolution (H. Con. Res. 629) providing for the printing of a document entitled "The Working Congress" and ask for its immediate consideration.

The Clerk read the concurrent resolution as follows:

H. CON. RES. 629

Resolved by the House of Representatives (the Senate concurring), That there be printed as a House document a booklet entitled "The Working Congress". Such pub-

lication shall include a description of the operation of the Senate and the House of Representatives, the committee structure of the Congress, the relationship between the Congress and the executive and judicial branches of the Federal Government, and the process by which legislation is enacted.

SEC. 2. There shall be printed five hundred and forty thousand additional copies of which one thousand shall be for the use of the Joint Committee on Arrangements for the Commemoration of the Bicentennial and the balance shall be prorated to Members of the Senate and House of Representatives for a period of sixty days, after which the unused balance shall revert to the respective Senate and House document rooms.

SEC. 3. The Joint Committee on Arrangements for the Commemoration of the Bicentennial shall control the arrangement and style of the document authorized to be printed by the first section of this concurrent resolution.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR PRINTING OF ADDITIONAL COPIES OF REPORT OF SUBCOMMITTEE ON HEALTH AND LONG-TERM CARE OF SELECT COMMITTEE ON AGING

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I call up the concurrent resolution (H. Con. Res. 641) to provide for the printing of additional copies of a report of the Subcommittee on Health and Long-Term Care of the Select Committee on Aging of the House of Representatives and ask for its immediate consideration.

The Clerk read the concurrent resolution as follows:

H. CON. RES. 641

Resolved by the House of Representatives (the Senate concurring), That there shall be printed for the use of the Select Committee on Aging of the House of Representatives one thousand five hundred additional copies of the report of the Subcommittee on Health Care and Long-Term Care entitled "New Perspectives in Health Care for Older Americans (Recommendations and Policy Directions of the Subcommittee on Health and Long-Term Care)".

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR PRINTING OF PUBLICATION ENTITLED "SUMMARY OF VETERANS' LEGISLATION REPORTED, NINETY-FOURTH CONGRESS"

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I call up the concurrent resolution (H. Con. Res. 655) providing for the printing of the publication entitled "Summary of Veterans' Legislation Reported, Ninety-Fourth Congress," and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 655

Resolved by the House of Representatives (the Senate concurring), That after the conclusion of the Ninety-fourth Congress there shall be printed for the use of the Committee on Veterans' Affairs of the House of Representatives fifty-six thousand one hundred copies of a publication entitled "Summary of Veteran's Legislation Reported, Ninety-fourth Congress", with an additional forty-four thousand two hundred copies for the use of Members of the House of Representatives.

SEC. 2. After the conclusion of the Ninety-fourth Congress there shall be printed for the use of the Committee on Veterans' Affairs of the United States Senate twenty thousand copies of a publication similar to that authorized by the first section of this concurrent resolution, but with emphasis upon matters relating to veterans' affairs considered by the Senate or by the Committee on Veterans' Affairs of the Senate.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING PRINTING OF BOOKLET ENTITLED "BLACK AMERICANS IN CONGRESS"

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I call up the concurrent resolution (H. Con. Res. 682) to authorize the printing of a booklet entitled "Black Americans in Congress" and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 682

Resolved by the House of Representatives (the Senate concurring), That twenty-five thousand copies of a booklet entitled "Black Americans in Congress" be printed for the use of the Joint Committee on Arrangements for the Commemoration of the Bicentennial. Such booklet shall present a history of black men and women who have served as Members of Congress.

SEC. 2. The Joint Committee on Arrangements for the Commemoration of the Bicentennial shall control the arrangement and style of the booklet authorized to be printed by the first section of this concurrent resolution.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING PRINTING OF THE FOLDER "THE UNITED STATES CAPITOL" AS A HOUSE DOCUMENT

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I call up the concurrent resolution (H. Con. Res. 688) authorizing printing of the folder "The United States Capitol" as a House document and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 688

Resolved by the House of Representatives (the Senate concurring), That there shall be revised and reprinted as a House Document a visitors' information folder entitled "The United States Capitol" and that eight hundred and eighty-four thousand copies shall be printed for the use of the United States House of Representatives. One million copies shall also be printed for use of the Capitol Guide Board.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING PRINTING OF COMMITTEE PRINTS OF COMMITTEE ON FOREIGN RELATIONS SUBCOMMITTEE ON MULTINATIONAL CORPORATIONS

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I call up the Senate concurrent resolution (S. Con. Res. 107) authorizing the printing of the following committee prints of the Committee on Foreign Relations Subcommittee on Multinational Corporations, and ask for its immediate consideration.

The Clerk read the Senate concurent resolution, as follows:

S. CON. RES. 107

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Committee on Foreign Relations five thousand copies each of the following hearings and committee prints entitled "Multinational Corporations and U.S. Foreign Policy" (volumes 1 and 2); "Multinational Oil Corporations and U.S. Foreign Policy, Report Together With Individual Views, January 2, 1976"; Multinational Corporations in Brazil and Mexico: Structural Sources of Economic and Noneconomic Power, Report to the Subcommittee on Multinational Corporations", by Richard Newfarmer and Willard F. Mueller; "Direct Investment Abroad and the Multinationals: Effects on the United States Economy", prepared for the use of the Subcommittee on Multinational Corporations by Peggy B. Musgrave.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

AUTHORIZING PRINTING OF ADDITIONAL COPIES OF COMMITTEE PRINT ENTITLED "SOVIET SPACE PROGRAMS, 1971–1975"

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I call up the Senate concurrent resolution (S. Con. Res. 113) authorizing the printing of additional copies of the committee print entitled "Soviet Space Programs, 1971–1975", and ask for its immediate consideration.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 113

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Committee on Aeronautical and Space Sciences one thousand five hundred additional copies each of volumes 1 and 2 of its committee print entitled "Soviet Space Programs, 1971–1975", Ninety-fourth Congress, second session, prepared by the Congressional Research Service with the cooperation of the Law Library, Library of Congress.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

AUTHORIZING PRINTING OF ADDITIONAL COPIES OF SUBCOMMITTEE ON CHILDREN AND YOUTH COMMITTEE PRINT TITLED "BACKGROUND MATERIALS CONCERNING CHILD AND FAMILY SERVICES ACT, 1975 (S. 626)"

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I call up the Senate concurrent resolution (S. Con. Res. 114) authorizing the printing of additional copies of Subcommittee on Children and Youth committee print titled "Background Materials Concerning Child and Family Services Act, 1975 (S. 626)", and ask for its immediate consideration.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 114

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Committee on Labor and Public Welfare, twenty-five thousand additional copies of its committee print compiled by its Subcommittee on Children and Youth entitled "Background Materials Concerning Child and Family Services Act, 1975 (S. 626)".

With the following committee amendment:

Immediately after line 7, page 1, add the following new section:

SEC. 2. There shall be printed for use of the House Committee on Education and Labor one hundred thousand additional copies of its committee print compiled by its Subcommittee on Select Education entitled "Background Materials Concerning Child and Family Services Act, 1975, H.R. 2966."

The committee amendments were agreed to.

Mr. WIGGINS. Mr. Speaker, will the gentleman yield?

Mr. BRADEMAS. I yield to the gentleman from California (Mr. WIGGINS).

Mr. WIGGINS. Mr. Speaker, I thank the gentleman for yielding. I would like to request that the gentleman from Indiana (Mr. BRADEMAS) explain the nature of the publication entitled, "Background Materials Concerning Child and Family Services Act, 1975."

I do so, Mr. Speaker, because of the controversial nature of the act. The Members on this side have expressed a concern that the publication will be used for the purpose of selling the virtues of the act to the people.

Mr. BRADEMAS. Mr. Speaker, will the gentleman yield?

Mr. WIGGINS. I yield to the gentleman from Indiana.

Mr. BRADEMAS. Mr. Speaker, I thank my colleague, the gentleman from California (Mr. WIGGINS) for yielding to me. The purpose of the publication of this committee print is similar to the purpose for which the committee print was prepared by the other body; namely, to make available information concerning the contents of the proposed bill, an analysis thereof, and commentaries by Members of the other body and the House and of individuals and groups of several sides of the issue.

Mr. WIGGINS. Mr. Speaker, I thank the gentleman for his explanation. I would like to say to several of my friends here in the Chamber who have questioned me about this resolution, that I have read the material which is to be printed and believe that the wide distribution of that material to the Members themselves will be helpful to them in answering the considerable volume of mail which has been produced on this issue. It is not an advocacy position at all, it is explanatory. I am certain that it will be useful to all of the Members in answering constituent inquiries.

Mr. BRADEMAS. I thank my colleague, the gentleman from California (Mr. WIGGINS) for his comments.

The Senate concurrent resolution, as amended, was concurred in.

A motion to reconsider was laid on the table.

AUTHORIZING PRINTING OF BACKGROUND INFORMATION ON FOREIGN RELATIONS COMMITTEE AS A SENATE DOCUMENT

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I call up the Senate concurrent resolution (S. Con. Res. 115) authorizing printing of background information on the Foreign Relations Committee as a Senate document, and ask for its immediate consideration.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 115

Resolved by the Senate (the House of Representatives concurring), That there be printed with illustrations as a Senate document background information relating to the history of the Senate Committee on Foreign Relations in connection with its one hundred and sixtieth anniversary (1816–1976); and that there be printed for the use of that committee seven thousand five hundred additional copies of such document.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

AUTHORIZING PRINTING OF ADDITIONAL COPIES OF BOOKLET ENTITLED "THE SENATE CHAMBER, 1810–1859"

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I call up the Senate concurrent resolution (S. Con. Res. 126) authorizing the printing of additional copies of the booklet entitled "The Senate Chamber, 1810–1859," and ask for its immediate consideration.

The Clerk read the Senate concurrent resolution as follows:

S. CON. RES. 126

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Commission on Art and Antiquities of the United States Senate thirty thousand additional copies of the booklet entitled "The Senate Chamber, 1810–1859".

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 14844, ESTATE AND GIFT TAX REFORM ACT OF 1976

Mr. PEPPER. Mr. Speaker, by direction of the Committee on Rules, I call up House resolution 1496 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1496

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 14844) to revise the estate and gift tax laws of the United States. After general debate, which shall be confined to the bill and shall continue not to exceed four hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment. No amendment to said bill shall be in order except the following; amendments recommended by the Committee on Ways and Means; an amendment printed on page 25361 of the Congressional Record of August 3, 1976, by Representative Mikva; and amendments en bloc printed on pages 25361 to 25363 of the Congressional Record of August 3, 1976, by Representative Mikva; and said amendments shall not be subject to amendment except for amendments recommended by the Committee on Ways and Means. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from Florida (Mr. PEPPER) is recognized for 1 hour.

Mr. PEPPER. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois (Mr. ANDERSON) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1496 is a modified rule providing 4 hours of general debate on the bill H.R. 14844, to revise the estate and gift tax laws of the United States.

Incidentally, there has not been a revision of these laws for a 30-year period. The rule provides that only two amendments may be offered, one of which would strike the exemption from the tax on generation-skipping trusts that is provided for parent-to-child-to-grandchild trusts of $1 million and less.

Mr. LANDRUM. Mr. Speaker, will the gentleman yield?

Mr. PEPPER. I yield to the gentleman from Georgia.

Mr. LANDRUM. I thank the gentleman for yielding.

I understood the gentleman to read just now that this rule will provide for only two amendments; is that correct?

Mr. PEPPER. Yes, that is correct.

Mr. LANDRUM. That means, then, that this will be a so-called modified open rule; is that right?

Mr. PEPPER. That is correct.

Mr. LANDRUM. I want to say to the gentleman and to the membership that a modified open rule, in the opinion of the gentleman now speaking, is a com-

plete and total farce. There is nothing democratic about it, and this House of Representatives ought never to be called upon to consider a measure from a committee under a modified open rule. It should be either a closed rule voted all up or all down, or a completely open rule. A modified open rule does nothing but this: It leaves the gentleman from Florida, for example, unable to present an amendment that he might want to offer to the bill, and yet puts perhaps the gentleman from Georgia in the position of being able to offer an amendment. There is nothing fair; there is nothing just; there is nothing right about that method of legislating.

I just wanted this gentleman's feeling to go in the RECORD about a modified open or modified closed rule.

Mr. PEPPER. If the distinguished gentleman from Georgia will permit me to express my observation on this subject, I have been a member of the Committee on Rules for a good many years, and I am inclined to believe that it is in accordance with the will of this House and the desire of this House that we do have an opportunity to offer at least some amendments or to consider at least some amendments that might be supported by a large number of the Members of the House and which would seem to deserve consideration. As the distinguished gentleman from Georgia, an able member of the Committee on Ways and Means, knows, for many years it has been more or less the usual custom of the Committee on Ways and Means to ask the Committee on Rules for a closed rule, and most of the time the Committee on Rules has granted that request. But there has been a considerable impatience in the Committee on Rules itself from time to time expressed by members that there ought to be a little bit more latitude to permit Members to offer at least certain amendments, if not to offer any amendments. Nobody is proposing—I am sure the distinguished gentleman from Georgia is not—that a tax bill be thrown open to any kind of amendment. But we have tried to find a medium ground.

Mr. LANDRUM. Will the gentleman yield further?

Mr. PEPPER. I yield to the gentleman.

Mr. LANDRUM. I thank the gentleman for yielding.

There is no medium ground. We either consider it all and vote it all up or vote it all down. The gentleman from Georgia is not saying that he is in favor of any such proposition as the gentleman from Florida is bringing here from the Committee on Rules to open it up so that one Member from one State may offer an amendment, but one Member from my State may not offer an amendment. There is no representation of the American people in any such activity as that. There is a representation of only a few with specific interests.

Mr. PEPPER. What the distinguished gentleman from Georgia has said is that all tax bills, like most legislation, should be subject to an open rule and any Member should be permitted to offer any amendment.

Mr. LANDRUM. If the gentleman will yield further, I say it should be subject to an open rule or to a closed rule. Then a Member has his choice. He can vote against it completely, or he can vote for it completely, or it can be open where he can have at least the opportunity to amend it.

Mr. PEPPER. Let me point out what I believe is the justification for what the Rules Committee has done in this matter. These two amendments, if I am informed correctly, were in the original bill offered by the chairman of the Ways and Means Committee. After a rather close vote, as I understand it, the amendments finally, toward the end of the deliberations of that committee on this subject, were eliminated by a majority of the Ways and Means Committee. But the Democratic Caucus directed the Democratic members of the Rules Committee to support these two amendments because I suppose a majority of the Democratic Caucus thought the amendments had merit or at least they were of such merit and character as to deserve consideration by this House.

So what we have got is only two amendments, but they did have considerable support in the Ways and Means Committee. They did have apparently majority support in the Democratic Caucus, and apparently they did have considerable interest in the House in the opportunity to consider those two amendments.

That is the justification for the Rules Committee making those two amendments in order for consideration by the House.

Mr. KETCHUM. Mr. Speaker, will the gentleman yield?

Mr. PEPPER. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Speaker, I thank the gentleman for yielding.

I think it only fair to point out to the body that when the bill came from the committee it was voted out by the Ways and Means Committee and there was practically a unanimous vote that the chairman of the Ways and Means Committee would take that bill to the Rules Committee and ask for a closed rule. I do not happen to be for a closed rule, but that was the will of the committee. Why and how, then, do we justify a closed rule that permits the offering of amendments by Members only of the majority party and thereby forecloses the offering of amendments by the minority side?

Mr. PEPPER. Mr. Speaker, the Rules Committee exercised whatever authority it may have not to deny to the Members of this House a reasonable opportunity for the fair consideration of the legislation and that includes limited amendments on legislation before this House. In this case, given the justification for the action of the Rules Committee, it is the reason, whether the gentleman can support them or not, that these two amendments did have such support in the Ways and Means Committee and apparently in the Rules Committee and apparently in the caucus, to give the House opportunity to consider these amendments.

Mr. PICKLE. Mr. Speaker, will the gentleman yield?

Mr. PEPPER. I yield to the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Speaker, I do not feel as strongly about the modified rules possibly as the gentleman from Georgia who has expressed himself so strongly on several occasions, but I do believe the Rules Committee has not been as open to considering the views of all Members of the House as I believe they should have been. The Democratic Caucus did recommend consideration of the two amendments and based on that the Rules Committee made consideration of these two amendments possible.

But I believe that is somewhat different from the case in the Unemployment Insurance Bill when we protested the closed rule. That rule was really closed, and did not leave it open for a motion to recommit with or without instructions. Yet when the House turned that closed rule down and we went back to the Ways and Means Committee we then came forward with the two amendments discussed in floor debate, and added a couple more amendments. The Rules Committee expounded the request in that instance.

In this instance we are not allowing any other amendments but we are getting only the two which came out of the Caucus which was attended by only a small number of people. They had only a quorum. Therefore this bypasses the Members who were not there, and did not have an opportunity to express themselves.

For instance, a vote on section 6 is not in order and it should have been made so. If we are to have a modified rule surely we should have added section 6, in all fairness, but we did not, and to that extent I think we have not been given an opportunity to express ourselves fully on this measure.

Mr. PEPPER. Mr. Speaker, I thank the able gentleman from Texas for his valuable contribution.

Mr. Speaker, the effect of the first amendment made in order under the resolution would be to impose the trust tax on all generation-skipping trusts. The other amendment would provide a two-tiered estate tax credit. Under that amendment, all estates would qualify for a certain credit, and estates comprised chiefly of farms or closely held businesses would receive an additional tax credit.

Mr. Speaker, in addition, the rule specifically provides that it shall be in order to move to recommit the bill with or without instructions. Thus, the minority will have an opportunity to work their will on this legislation through the use of that motion.

Mr. Speaker, I urge the adoption of House Resolution 1496 so that the House may proceed to the consideration of this important legislation.

Mr. Speaker, I am informed that there has not been a revision by the Congress of this subject of estate and gift tax laws for nearly 30 years.

It seems to me that this bill, whether we adopt the amendments or not, justifies the consideration and the approval by this House. Therefore, I hope the rule will be adopted and we will proceed to the consideration of the bill and I hope the approval of this measure.

Mr. Speaker, I yield to the distinguished gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we have already seen the opening of a very lively debate on what procedure ought to be followed in connection with the consideration of this very, very important bill, on the modification of the estate and gift tax law.

Mr. Speaker, I want to compliment the distinguished gentleman from Georgia (Mr. LANDRUM) for having fired the opening shot. To show that this is a bipartisan effort, I want to join the gentleman from Georgia in attacking the kind of rule that has been sought and obtained from the Committee on Rules on this legislation.

Mr. Speaker, I have in my hand a copy of a letter which was received by the chairman of the Committee on Rules, dated the 27th of July. I quote from the second paragraph of this letter:

> The purpose of this letter is to request that the Committee on Rules accord the Committee on Ways and Means a hearing, as soon after the bill is reported as possible, on a rule for consideration of this bill on the floor of the House.
>
> I am authorized and directed to request a closed rule providing for committee amendments only.

Well, once again, a funny thing happened on the way to the forum. The Democratic Caucus convened on the 10th day of August, and what did they do? They very selectively picked out two amendments, the amendments that were referred to by my friend, the gentleman from Georgia, or my friend, the gentleman from Florida (Mr. PEPPER), the amendments that were placed in the CONGRESSIONAL RECORD of August 3, 1976, by the gentleman from Illinois (Mr. MIKVA).

So what we have is a rule, in other words, that has been dictated to this House, not by the full membership, not by any standing committee or legislative committee or by the Committee on Rules even, but a rule dictated by King Caucus, a rule that is not the product of the normal and regular legislative process.

Mr. Speaker, let me say at this point, and I do not see my friend on the floor at the moment, I feel a little bit sorry for one of the Democrats who came before our committee, the gentleman from Ohio (Mr. VANIK). The gentleman had a couple of amendments that the gentleman wanted to offer and they were even on the agenda of the Democratic Caucus; but, unfortunately for him, the Democratic caucus, so the gentleman informed us in our hearing before the Committee on Rules, ran out of time before the caucus could even act on the gentleman's request to make the gentleman's revenue-balancing amendment in order. So I can sympathize with the gentleman's plight and even shed a few crocodile tears.

Mr. Speaker, the really indefensible part of this whole procedure is the violence, I believe, it does, not just to the rights of the minority, and that is an important consideration for me, but the violence that it does to the rights of every Member of this body. While that caucus may have been open, it certainly was not in order for any Republican to attend, other than to have a chair in the gallery. It was not in order for any Republican or minority Member of this body to ask for an amendment to be made in order from his seat in the gallery.

Mr. Speaker, it is interesting to note what the votes were on the amendments that were authorized by the caucus. They were 125 to 64. In other words, only 65 percent of the Democratic membership voted on these important matters, voted to dictate the narrow confining terms of this rule; but, more importantly, when we translate that into a percentage of the entire membership of this body, 125 out of 435, a mere 29 percent of the membership of this entire body has dictated to this House what it should do or what it can or cannot do in amending this very vital and necessary and important legislation.

I tried to support another distinguished Democrat Member of this body, the gentleman from Texas (Mr. YOUNG), who may be here, when he offered another amendment to the proposed caucus rule, an amendment that would have permitted a vote on section 6, the so-called carryover basis rule which, according to some members of the Ways and Means Committee, would transform a bill that was intended to be a measure bringing tax relief would bring it to the point where it would actually reduce the tax relief provisions by about a billion dollars a year in the long run.

I am not going to go into the substantive arguments that can be made for or against section 6, but it is a highly controversial part of the bill. I have telegrams in my file—I am sure other Members have as well—telegrams from national organizations such as the National Farmers Union, for one, that just came to my attention a few minutes ago, urging that this particular section not be in the bill, that it destroys some of the tax relief that we intended to bring to all small family farm unit investments that have been made by the other provisions of the bill; that it compounds the liquidity problem of the small estate if we suddenly enact this particular provision.

I think I have said enough to indicate, Members of the House, that we are considering probably one of the most important bills to come before this Congress, this 94th Congress; one on which I have had hundreds and hundreds of letters, and I am sure other Members have likewise. Yet, this bill is emerging today in highly unsatisfactory form because we cannot exert the kind of amendatory action that should be within our power when we consider a bill of this importance. So, I think we have a rather simple solution, and I would commend it to the Members of the House at this point. That is simply this: Let us vote down—let us vote down the previous question. Let us let another rule be put forth which will enable the Members of this House to more adequately deal with some of the controversial provisions of this bill; be they, for example, the provision that was offered by the gentleman from Texas (Mr. BURLESON), who wanted to see a $200,000 exemption instead of the $153,000 or $154,000 exemption that is now provided for in the bill; and that includes an opportunity for some Members to debate and to discuss whether or not section 6 ought to be in this bill at all, or whether it is an income tax provision, really, that does not belong within the consideration of an estate.

I know that my friend and others are going to say, "You can offer a motion to recommit. The minority always has that right." Yes, 5 minutes pro, 5 minutes con to discuss something as important as substantively difficult to talk about as the carryover basis provision of the bill. On the other hand, the gentleman from Illinois (Mr. MIKVA), the Members who were enabled to get their amendments in in order, can strike the last word. They can offer pro forma amendments in support of or against those amendments. They can talk until such time as someone chooses to enter a motion on the record limiting debate. I do not think it is fair, therefore, to limit the minority simply to a motion to recommit.

Mr. PEPPER. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Florida.

Mr. PEPPER. The able gentleman said something about the minority. Of course, he is aware of the fact that the rule provides that a motion to recommit, with or without instructions, which will be the prerogative of the minority, may be offered.

Mr. ANDERSON of Illinois. I would say in reply to my friend that I covered that point. I said that under the House rules we will only have 5 minutes to debate that motion for it, and 5 minutes against it. We are talking about something that is very difficult. I went through volume 2 over the weekend, and there are hearings that are very thick, with testimony from law professors, distinguished panels of experts from all over the country, discussing the carryover loss basis provision. I had a hard time understanding some of the very technical testimony which was offered in those hearings. I do not think 10 minutes is enough, under a motion to recommit, to consider something of that importance.

Mr. Speaker, I think it ought to be in order under the rule to consider it under the same provisions that have been made available to the gentleman from Illinois (Mr. MIKVA) in connection with the two amendments that he will offer.

Mr. PEPPER. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Florida (Mr. PEPPER).

Mr. PEPPER. Mr. Speaker, the able gentleman has stated that if the previous question is voted down, there be an amendment to the rule offered on the gentleman's side of the aisle.

I think the House is entitled to know exactly what would be in the gentleman's proposed amendment if the previous question is voted down.

The gentleman said he included the Burleson amendment. Does the gentleman include the Vanik amendment?

Mr. ANDERSON of Illinois. Mr. Speaker, I will say to the gentleman that I would yield to my friend, the gentleman from New York (Mr. CONABLE), who is the next ranking member on the committee, to answer the gentleman's question.

Mr. CONABLE. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from New York (Mr. CONABLE).

Mr. CONABLE. Mr. Speaker, I would like to associate myself with the gentleman's remarks. The purpose of voting down the previous question would be to provide some symmetry in this rule so we would not have imposed on us the opportunity to vote for liberal amendments without also some amendments reflecting the interests, small businesses and farmers.

I would urge that if the previous question is voted down, we make in order two additional amendments, one of which would offer the Burleson bill as a substitute. May I say, Mr. Speaker, there are many of my liberal friends in this House who have promised their farmers and their small businessmen back home they will vote for the Burleson bill, confident that under the procedure dictated here they would never have the chance to vote on it. Voting down the previous question will give them that opportunity, and I personally would like the opportunity honestly to see if they are going to follow through with their promises, cynically and politically given.

The second alternate amendment that I would suggest is to provide an opportunity to eliminate the cost basis carryover, section 6 of the bill. That is in order, as the gentleman from Florida says, as a motion to recommit. But there is no reason in the world why we should not permit this House to have the same opportunities for debate on that issue as are afforded the Mikva amendments made in order by direction of the caucus to the Committee on Rules.

Those two provisions would provide a degree of symmetry in the consideration of this measure that would give the House a much better chance to work its will than anything it will have under the procedure. Our goal should be to let the House work its will.

Mr. ANDERSON of Illinois. Mr. Speaker, I share the views just expressed by the distinguished gentleman from New York, and I think they constitute an adequate answer to the question raised by the gentleman from Florida.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Wisconsin (Mr. STEIGER).

Mr. STEIGER of Wisconsin. I thank the gentleman for yielding.

Mr. Chairman, I want to associate myself with much of what the gentleman from Illinois has said but I would like some clarification.

The gentleman has indicated that proforma amendments would be in order during debate on the two amendments authorized by the rule.

As I read the rule, however, pro forma amendments are not in order.

Mr. ANDERSON of Illinois. Mr. Speaker, I misspoke, I would say, in answer to the gentleman from Wisconsin (Mr STEIGER). What I meant to suggest was that when those amendments are offered, any Member of this body can get up and speak for or against those amendments for as long as the chairman, or someone else on the committee, permits the debate to run. In other words, there is no limitation, I do not think, in time.

Mr. STEIGER of Wisconsin. If the gentleman will yield further, I do not know, maybe someone can better answer the question, but one of the reasons for voting down the previous question is the fact that this House is severely injured by a rule in which in fact there is not sufficient time to debate, be it the section 6 issue, the split credit issue, or any of these other items. The House ought to have a chance to do that. I do not think this rule gives us that chance.

Mr. ANDERSON of Illinois. I thank the gentleman for his comments. I certainly agree with what the gentleman just said.

Mr. HAGEDORN. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Minnesota (Mr. HAGEDORN).

Mr. HAGEDORN. I thank the gentleman for yielding.

Mr. Speaker, I think once again I want to join the gentleman in the well in his comments about the so-called modified open rule. I think it is an insult to the Members of Congress who are sent here to vote their true feelings; but more importantly, I think that King Caucus rears its ugly head once again. The move to restrict the House from voting its true feelings is an insult to the taxpayers of America and prevents us from having a fair and open consideration in this body.

Let us vote down the previous question in order that we may consider the Burleson amendment, along with other amendments with which we are concerned and on which we have all expressed ourselves in recent months with our constituents. I ask the Members to join with the gentleman in the well and me to vote down the previous question.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Speaker, I want to reinforce, and in some respects, restate some of the remarks made by the gentleman from Illinois (Mr. ANDERSON) and by the gentleman from New York (Mr. CONABLE).

The Committee on Rules has, by edict of King Caucus, laid upon the membership of this House a very unusual and very unfair rule, through which we are allowed to debate only certain aspects of a very important issue, one that is even more important to all of our constituents than to us.

King Caucus has taken unto itself the responsibility to tell us that we cannot debate and cannot offer amendments on those sections which we think are the most important to our own individual constitutents.

This rule is not only unfair. It is graceless and in bad taste. Only the friends of King Caucus can have amendments offered. Those Members who only represent the people are not allowed to speak for the people. It is the worst kind of a gag rule that this House could put before use.

This rule is especially unfair at this time because those of us who wish to strike section 6 will be allowed to speak for only 5 minutes on behalf of that proposition when it is raised in the form of a motion to recommit.

Mr. Speaker, I think it is absolutely essential, to uphold the integrity of the House, that we vote down the previous question and get a decent rule under which Members of this House can debate and amend this bill and under which the people of the United States will have some confidence that we have given very close consideration to this most important measure.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. KETCHUM).

Mr. KETCHUM. Mr. Speaker, I thank the ranking minority member of the Committee on Rules for yielding me this time.

The saddest part about this whole rule is that it really does not address itself properly to the bill. This bill is totally and absolutely nonpartisan in nature, in that all of the people who fall into the categories of small farmers and small businessmen, those individuals in the United States who do pay and are subject to inheritance taxes, are interested in reform of the inheritance tax provisions. All of them are interested in this reform, and really all of them ought to have an opportunity to be heard here today and not be gagged by this rule that we are presented with now.

As I indicated in debate with the gentleman from Florida (Mr. PEPPER), it is astounding to me that a rule can come to this floor providing that only those amendments offered by a Member in the majority party will be offered, but that none on the part of the minority may be offered, nor even any amendments that might have been offered by other Members of the majority party on behalf of their constituents. This is absolutely the worst kind of a rule we could bring to this floor.

In the main, I have voted for open rules in the past. When this Congress convened almost 2 years ago, we were told that it was to be a reform Congress, and that if it was to be a reform Congress, the new Members of the majority party were the ones who were going to institute the reforms. Well, if this is reform, I do not think the people of the United States will buy it. This is not reform when we have a closed rule only when it is convenient to have a closed rule and when we have an open rule only if it is convenient to have an open rule.

I believe really that this body owes it to the constituency of the United States to open this rule. Let us vote down the previous question, and let us debate this issue, because, as I have indicated, this is a totally nonpartisan issue.

It affects almost everyone in the United States. It would be the crassest kind of display on the part of this House to allow only two amendments to be offered.

Mr. Speaker, as the gentleman from Florida (Mr. PEPPER) indicated, the vote was kind of close. We have all been on committees where we lost amendments and the vote was "kind of close."

Mr. Speaker, I urge the Members to vote down the previous question and to give this body an opportunity to exercise its will, which is the will of the people of the United States.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself 1 additional minute.

Mr. Speaker, I take the additional minute because I do want to clarify what I think at this point represents some confusion in the record.

After reading the language which appears on page 2 of House Resolution 1496 as it deals with the two amendments that would be made in order by this rule, if adopted, and particularly the language contained on lines 5 through 7, we see this statement:

> Said amendments shall not be subject to amendment except for amendments recommended by the Committee on Ways and Means.

Mr. Speaker, pursuant to rule XXIII, clause 5, it would not be possible to have other than a 10-minute debate on those amendments.

I think that is another reason the previous question ought to be defeated.

Mr. Speaker, these are extremely complicated matters which were debated long and hard in the Committee on Ways and Means, which had very close votes on them. It seems to me, Mr. Speaker, that we are unduly limiting the time of Members to discuss these important amendments.

Mr. PEPPER. Mr. Speaker, I yield myself 2 additional minutes.

Mr. Speaker, I just want to say a few words.

In the first place, I want to repeat what the Members have heard me say before, that these two amendments that the Committee on Rules made in order were in the original bill offered by the distinguished chairman of the Committee on Ways and Means.

That is the first point. The second is that in the Committee on Ways and Means, one of these amendments was defeated by a vote of 19 to 18, I believe; and the other one was defeated by a vote of 19 to 17. These two amendments had the most substantial support, therefore, that any amendments not incorporated in the bill had in the Committee on Ways and Means.

Mr. Speaker, I am advised that the amendment of the distinguished gentleman from Texas (Mr. BURLESON) did not receive substantial support in the Committee on Ways and Means.

Another thing, Mr. Speaker: Under the rules—and I have verified this with the Parliamentarian—there will be only 5 minutes' debate on the Democratic side and 5 minutes' debate on the Republican side on these amendments. They are not, therefore, going to be entitled to lengthy consideration; and every Member will not have the usual 5 minutes to speak upon these two amendments.

The next point is that the gentleman from Illinois (Mr. ANDERSON) said that if the previous question is voted down, then a better rule could be offered on his side of the aisle. However, when I asked him as to what would be in the rule or what kind of rule it would be, I understood my distinguished friend to mention only the incorporation of the Burleson amendment as an additional amendment.

To repeat, Mr. Speaker, I understood him to say that he would only include as a new amendment the amendment offered by the distinguished gentleman from Texas (Mr. BURLESON). Then, of course, they would have their motion to recommit, which the rule provides for on their side.

Mr. Speaker, I see no reason that a motion to recommit could not include the Burleson amendment if the distinguished gentleman wishes to support that amendment.

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. PEPPER. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Speaker, I merely want to clear up one fact. I thought we had made it clear in the colloquy that if this rule is opened up and if the previous question is voted down, not only would the Burleson amendment, which would provide a $200,000 exemption be offered, but also an amendment dealing with the carryover provisions of the bill, as they are contained in the particular section, would be in order. Those two amendments would be in order.

The gentleman's response has been that we can take care of that in a motion to recommit.

Mr. Speaker, I do not think that we should have to debate this important amendment under the narrow constraints of a motion to recommit. I think we ought to have an opportunity to offer amendments freely on the floor so as to the point of considering a motion to reconsider those questions before we get to commit the legislation.

Mr. PEPPER. I yield to the distinguished chairman of the Committee on Ways and Means, the gentleman from Oregon (Mr. ULLMAN).

Mr. ULLMAN. Mr. Speaker, I thank the gentleman from Florida for yielding to me.

Mr. Speaker, I think we should be crystal clear about the two amendments that would be offered if the previous question is voted down. In the long run, the combination of these two amendments would lose approximately $2.9 billion of additional revenue annually as compared to the committee's bill. The $200,000 exemption provision without the reform features of the committee's bill would mean an additional $1.9 billion loss in revenue. The other provision striking section 6 would fail to pick up an additional $1 billion of revenue.

So, Mr. Speaker, I think the Members ought to know that $2.9 billion here is just the same at $2.9 billion of increased spending or $2.9 billion less tax reform in a tax bill. At any rate, it is $2.9 billion less for the U.S. Government to operate on.

I believe we ought to be perfectly clear on that. If it had not been for the revenue problem we could have done these things. But I think my friends on the other side of the aisle are always talking about cutting back and about balancing the budget. Yet here we have $2.9 billion thrust at us on a very popular kind of a thing. All of us know how we go down this dizzy business of more and more spending. Everything we have voted for is very, very popular to the people back there and they want it. Certainly the people who have estates want a $200,000 personal exemption. I guess one cannot blame them for that, but it costs approximately $2.3 billion over the present law. You have to analyze: Can we afford it? The same way with the carryover basis. We pick $1 billion of revenue here. It is $1 billion if we do not vote for it because we do not have any substitute.

So, Mr. Speaker, when we vote on the previous question we have to look at all those alternatives. If we vote down the previous question, then each one of us will have to vote on these two very critical matters. You will either have to vote against some constituent back home or you will have to vote to increase the national indebtedness by $2.9 billion.

These are pretty tough questions and the committee faced up to these things. That is why we brought the bill to the House that we did. It is a balanced package. It does pick up revenue in the long run. I think that is very important.

Mr. SYMMS. Mr. Speaker, will the gentleman yield?

Mr. PEPPER. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Speaker, I would like to ask the chairman of the committee, the gentleman from Oregon (Mr. ULLMAN), as to what kind of rule the Committee on Ways and Means asked for.

Mr. ULLMAN. Mr. Speaker, if the gentleman will yield, the Committee on Ways and Means instructed me more or less to go before the Committee on Rules and ask for a closed rule with one motion to recommit by the minority. That is the rule that I asked for. But, also that was modified, as the gentleman from Idaho knows, by the caucus action which requested the Committee on Rules to add the two amendments.

Mr. SYMMS. Mr. Speaker, I think what bothers me is this: We have nearly 100 Members in this House who are cosponsors of the Burleson of Texas bill which is simply the $200,000 exemption, changing the $60,000 exemption we now have to $200,000 and increasing the marital deduction to $150,000 plus one-half of the adjusted gross estate in excess of $150,000.

It is very difficult for me to understand how it is possible because the Committee on Ways and Means did not see fit to give this a close vote, I do not know how close the vote was in the committee, but how you can come out with two amendments that come out with a 16-to-17 vote or a 17-to-21 vote, whatever the close call was that the gentleman from Florida (Mr. PEPPER) referred to, you get to have a vote here, even under the quasi-gag rule debate situation and yet on the Burleson of Texas amendment, on which 20 percent of the Members of this body are cosponsors of that legislation, we cannot even get a vote on it. It seems to me that is an outrageous travesty to the American people that this Congress can operate that way.

I cannot understand how the Committee on Ways and Means can go to the Committee on Rules and ask for this kind of rule to gag the other Members of the House. I think it is obvious that the caucus is running the Congress and not the Congress running the Congress.

Mr. PEPPER. The able gentleman's side of the aisle proposes to offer to the House an opportunity to vote on two amendments in addition to the two that the rule proposes that the House have an opportunity to consider. If the gentleman is talking about the right of the Members to express their wishes to have a fair opportunity to modify this bill, he can ask for an open rule, or if the previous question is defeated, we can adopt an open rule if the House favors it, and then every Member will have the opportunity.

Mr. SYMMS. That is exactly what I want to do.

Mr. PEPPER. And then we will have chaos.

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. PEPPER. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. I thank the gentleman for yielding.

I just want to point out that the gentleman has used the justification for bringing to this House to vote on the two so-called Mikva amendments—he has used as a justification for picking out those amendments—the fact that there were very close votes in the Committee on Ways and Means.

I am holding here a copy of the rollcall that was taken in the Committee on Ways and Means at 11:35 a.m. on the 8th of June, 1976, on the Waggonner amendment to increase in three steps the basic credit in the Estate and Gift Tax Reform Act which embodies the substance of the Burleson proposal, the $200,000 credit. The vote on that was 17 yeas and 19 nays, a close vote.

On what basis can the gentleman justify saying no, we are not going to permit a vote on that under the rule; we are going to pick out a couple of other close votes in the committee, and those, and those alone, can be submitted for a vote of the full membership? I think this proposal and the other one that was mentioned are entitled to consideration, not just by the Committee on Ways and Means but by the full House.

Mr. PEPPER. The gentleman will have a fair opportunity when the vote comes on the previous question to present his point of view on this matter.

Mr. Speaker, I move the previous question on the resolution.

The SPEAKER. The question is on ordering the previous question.

Mr. PEPPER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 162, nays 212, not voting 57, as follows:

[Roll No. 674]

YEAS—162

Adams	Annunzio	Bedell
Addabbo	Ashley	Bergland
Ambro	Aspin	Biaggi
Anderson, Calif.	AuCoin	Bingham
Andrews, N.C.	Baucus	Blanchard
	Beard, R.I.	Blouin
Boggs	Hechler, W. Va.	Oberstar
Boland	Hicks	Obey
Bolling	Holtzman	O'Hara
Bonker	Howard	O'Neill
Brademas	Howe	Ottinger
Brodhead	Hughes	Patten, N.J.
Brown, Calif.	Hungate	Patterson, Calif.
Burke, Calif.	Ichord	Pattison, N.Y.
Burke, Mass.	Jeffords	Pepper
Burlison, Mo.	Jenrette	Preyer
Burton, John	Johnson, Calif.	Price
Burton, Phillip	Jordan	Rangel
Carr	Kastenmeier	Reuss
Conyers	Keys	Richmond
Corman	Koch	Rodino
Cornell	Krebs	Roe
Cotter	Leggett	Rose
D'Amours	Lloyd, Calif.	Rosenthal
Daniels, N.J.	Long, La.	Rostenkowski
Danielson	Long, Md.	Roybal
Delaney	Lundine	Russo
Dellums	McCormack	Ryan
Derrick	McFall	St Germain
Diggs	McHugh	Santini
Dingell	McKay	Sarbanes
Dodd	Madden	Scheuer
Downey, N.Y.	Maguire	Seiberling
Drinan	Mann	Simon
Duncan, Oreg.	Matsunaga	Smith, Iowa
Edgar	Mazzoli	Solarz
Edwards, Calif.	Meeds	Spellman
Eilberg	Metcalfe	Stark
Evans, Ind.	Meyner	Stokes
Fary	Mezvinsky	Stratton
Fascell	Mikva	Studds
Fisher	Miller, Calif.	Symington
Florio	Mineta	Thompson
Foley	Minish	Tsongas
Ford, Mich.	Mink	Ullman
Fraser	Mitchell, Md.	Vander Veen
Gibbons	Moakley	Waxman
Gonzalez	Moffett	Weaver
Hall, Ill.	Moss	Wilson, C. H.
Hanley	Murphy, Ill.	Wirth
Hannaford	Neal	Wolff
Harkin	Nedzi	Yates
Harrington	Nix	Zablocki
Harris	Nolan	
Hayes, Ind.	Nowak	

NAYS—212

Abdnor	Emery	Landrum
Allen	English	Latta
Anderson, Ill.	Erlenborn	Lent
Andrews, N. Dak.	Fenwick	Levitas
	Findley	Lloyd, Tenn.
Archer	Fish	Lott
Armstrong	Flood	Lujan
Ashbrook	Flowers	McClory
Bafalis	Flynt	McCollister
Baldus	Fountain	McDade
Bauman	Frenzel	McDonald
Beard, Tenn.	Gaydos	McEwen
Bennett	Giaimo	Madigan
Bevill	Gilman	Mahon
Biester	Ginn	Martin
Bowen	Goldwater	Melcher
Breaux	Goodling	Michel
Breckinridge	Gradison	Milford
Brinkley	Grassley	Miller, Ohio
Brooks	Gude	Mills
Broomfield	Guyer	Mitchell, N.Y.
Brown, Ohio	Hagedorn	Mollohan
Broyhill	Haley	Montgomery
Buchanan	Hall, Tex.	Moore
Burgener	Hamilton	Moorhead, Calif.
Burke, Fla.	Hammer-schmidt	Morgan
Burleson, Tex.	Hansen	Mosher
Butler	Harsha	Mottl
Byron	Heckler, Mass.	Murphy, N.Y.
Carney	Hefner	Murtha
Carter	Henderson	Myers, Ind.
Cederberg	Hightower	Myers, Pa.
Chappell	Hillis	Natcher
Clancy	Holland	Nichols
Clausen, Don H.	Holt	O'Brien
Clawson, Del	Horton	Paul
Cleveland	Hubbard	Perkins
Cochran	Hutchinson	Pettis
Cohen	Hyde	Pickle
Collins, Tex.	Jacobs	Pike
Conable	Jarman	Poage
Conte	Johnson, Colo.	Pressler
Coughlin	Johnson, Pa.	Pritchard
Crane	Jones, N.C.	Quie
Daniel, Dan	Jones, Okla.	Quillen
Daniel, R. W.	Jones, Tenn.	Randall
Davis	Kasten	Regula
Dent	Kazen	Rhodes
Derwinski	Kelly	Rinaldo
Devine	Kemp	Roberts
Downing, Va.	Ketchum	Robinson
Duncan, Tenn.	Kindness	Rogers
Early	Krueger	Roncalio
Edwards, Ala.	Lagomarsino	Rooney
Roush	Staggers	Vigorito
Rousselot	Stanton, J. William	Waggonner
Runnels	Steed	Walsh
Ruppe	Steiger, Wis.	Wampler
Sarasin	Stephens	Whalen
Satterfield	Sullivan	White
Schneebeli	Symms	Whitehurst
Schroeder	Talcott	Whitten
Schulze	Taylor, Mo.	Wiggins
Sharp	Taylor, N.C.	Wilson, Bob
Shipley	Teague	Wilson, Tex.
Shriver	Thone	Winn
Shuster	Traxler	Wydler
Sikes	Treen	Yatron
Skubitz	Van Deerlin	Young, Fla.
Smith, Nebr.	Vander Jagt	Young, Tex.
Snyder	Vanik	
Spence		

NOT VOTING—57

Abzug	Frey	Rees
Alexander	Fuqua	Riegle
Badillo	Green	Risenhoover
Bell	Hawkins	Sebelius
Brown, Mich.	Hays, Ohio	Sisk
Chisholm	Hébert	Slack
Clay	Heinz	Stanton, James V.
Collins, Ill.	Helstoski	Steelman
Conlan	Hinshaw	Steiger, Ariz.
de la Garza	Jones, Ala.	Stuckey
Dickinson	Karth	Thornton
du Pont	LaFalce	Udall
Eckhardt	Lehman	Wright
Esch	McCloskey	Wylie
Eshleman	McKinney	Young, Alaska
Evans, Colo.	Mathis	Young, Ga.
Evins, Tenn.	Moorhead, Pa.	Zeferetti
Fithian	Passman	
Ford, Tenn.	Peyser	
Forsythe	Railsback	

The Clerk announced the following pairs:

Mr. Mathis with Mr. Rees.
Mr. de la Garza with Mr. Hébert.
Ms. Abzug with Mr. Dickinson.
Mr. Alexander with Mr. Esch.
Mr. Fuqua with Mr. Forsythe.
Mr. Badillo with Mr. Hays of Ohio.
Mrs. Chisholm with Mr. Bell.
Mr. Fithian with Mr. Heinz.
Mr. Lehman with Mr. Evins of Tennessee.
Mr. LaFalce with Mr. Frey.
Mr. Risenhoover with Mr. Karth.
Mr. Sisk with Mr. Brown of Michigan.
Mr. Slack with Mr. Eshleman.
Mr. Udall with Mr. Helstoski.
Mr. Wright with Mr. Conlan.
Mr. Zeferetti with Mr. McCloskey.
Mr. Young of Georgia with Mr. Passman.
Mrs. Collins of Illinois with Mr. du Pont.
Mr. Clay with Mr. McKinney.
Mr. Moorhead of Pennsylvania with Mr. Wylie.
Mr. Thornton with Mr. Young of Alaska.
Mr. Hawkins with Mr. Steiger of Arizona.
Mr. Green with Mr. Sebelius.
Mr. Eckhardt with Mr. James V. Stanton.
Mr. Evans of Colorado with Mr. Peyser.
Mr. Stuckey with Mr. Steelman.
Mr. Riegle with Mr. Railsback.
Mr. Ford of Tennessee with Mr. Jones of Alabama.

Messrs. ANDREWS of North Carolina, STRATTON, LEGGETT, ROSE, and SEIBERLING changed their vote from "nay" to "yea."

So the previous question was not ordered.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. ANDERSON OF ILLINOIS

Mr. ANDERSON of Illinois. Mr. Speaker, I offer an amendment to the resolution.

The Clerk read as follows:

Amendment offered by Mr. ANDERSON of Illinois: Strike all after the resolving clause and insert:

That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for

the consideration of the bill (H.R. 14844) to revise the estate and gift tax laws of the United States. After general debate, which shall be confined to the bill and shall continue not to exceed 4 hours to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be read for amendment under the five-minute rule. Only amendments printed in the RECORD prior to September 1, 1976, shall be in order. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The Chair recognizes the gentleman from Illinois (Mr. ANDERSON) for 1 hour.

Mr. ANDERSON of Illinois. Mr. Speaker, just a few moments ago the Members of this body concluded what I believe was a very wise action in refusing to vote for the previous question which would have then made in order a vote on a rule which would have permitted only two amendments to the so-called estate and gift tax reform bill, those two amendments being amendments by the gentleman from Illinois (Mr. MIKVA), which had previously been printed in the RECORD.

Mr. Speaker, I urged a "no" vote on the previous question because it seemed to me that it was unfair to the Members of this body to tie their hands by virtue of an action taken on the 10th of August by the Democratic Caucus and to deny not just Republicans but other Democratic Members of this body a right to offer amendments to this bill. I pointed out, as the Members will recall, those Members who were here, that the proposition that had been offered by the gentleman from Texas (Mr. BURLESON), which would have provided for a $200,000 estate tax exemption, when it was offered in the form of a motion by the gentleman from Louisiana (Mr. WAGGONNER), lost by a vote of 19 to 17. And yet that amendment would not have been in order to be voted upon on the floor of this House under the rule under which it was proposed and voted out of the Committee on Rules.

Mr. Speaker, I indicated in the colloquy with my friend, the gentleman from New York (Mr. CONABLE), that if the previous question were defeated, it would then be my intention to try to draft a rule and offer it to this body, which would make in order a consideration of something like the Burleson of Texas amendment, which would afford a $200,000 exemption, and also permit Members of this body to discuss under an appropriate motion to strike all of section 6, which deals with the carryover basis provisions of the bill which are extremely controversial and have been the subject of much debate.

It was at that point, and only after I had said that, that the distinguished chairman of the Committee on Ways and Means, the gentleman from Oregon (Mr. ULLMAN), rose to his feet and in a colloquy with the gentleman from Florida (Mr. PEPPER) said that if we were to adopt the original Burleson proposal, it could mean a loss in revenue of up to $2.5 billion to the Federal Treasury. As I recall, he even went on to chide Members on this side of the aisle for evidencing certain fiscal irresponsibility in suggesting that that amendment ought to be offered and debated and possibly adopted here on the floor.

It was then, after hearing the comments of the distinguished committee chairman, that I decided that the fairest thing, the fairest thing of all to this body, would be to propose, as the Clerk has just read, an open rule. We would not then be tied to an amendment which would cost the Treasury $2½ billion in revenue.

I am sure that either the gentleman from Texas (Mr. BURLESON) or some other Member of this body can offer some variant of that proposal which would minimize that revenue loss. We can also then consider the very controversial proposition of carryover loss basis which has been incorporated in section 6 of the bill.

I know that the argument is going to be made, as I have heard it year after year during the 16 years I have served in this body, that there is going to be chaos on the floor of this House if we permit the Members of this body to have what they have had for almost 200 years on the other side of the Capitol, and that is the right to really legislate when a tax bill comes to the floor of Congress.

Mr. Speaker, if we would listen carefully to the reading of the amendment to the rule, we would see that we are limited to amendments printed in the RECORD on or before September 1, 1976. If any Member has a serious amendment to offer to this bill, it is going to have to appear in the RECORD, it is going to have to be printed; this Member and the distinguished chairman of the Committee on Ways and Means are going to be on notice, along with every other Member of this body, as to what that amendment is.

Let me ask the Members, why is that kind of a precaution then going to cause chaos on the floor of this House?

Mr. Speaker, I offer this explanation because a moment ago the chairman of the Committee on Ways and Means came over to me across the aisle and indicated that I had given my word that we were going to offer a certain kind of rule. I think that in the free flow of debate that takes place on the floor of this House circumstances change, and when he made his speech pointing out that to offer the Burleson amendment as it was incorporated in the original bill—and I think it was said some 20 percent of the Member of this body are now cosponsors of the amendment in question—it became established that that is going to affect the revenues of the Federal Treasury by $2½ billion; then it became apparent that it ought to be scaled down, and so we offered a more modest proposal. I do not think it is asking too much of the Members of this body that we give the Members an opportunity to decided on an amendment to get their amendments printed in the RECORD before September 1 and have a chance to freely debate them here on the floor of the House, together with the other matters that have been talked about.

During our earlier discussion of the rule, when many of the Members were not here, I mentioned that my friend, the gentleman from Ohio (Mr. VANIK), had regretted very much, when he testified before the Committee on Rules, that certain amendments he wanted to offer, revenue-balancing amendments that could allay some of the fears that have been expressed by the chairman of the committee, my friend, the gentleman from Oregon (Mr. ULLMAN), could not be offered. He regretted that there was not enough time on the agenda of the Democratic caucus, and he could not even get his amendment presented; therefore, they were not made in order under the rule.

I think the procedure we suggest in the rule is a good one, and with this precaution that we have mentioned of requiring a printing in the RECORD of those amendments to be offered, I believe that this can remain a deliberative process, during which the Members will have the right to freely debate and to amend, if necessary, one of the most significant bills to come before the 94th Congress.

Mr. Speaker, I urge the adoption of the amendment to the rule.

Mr. ULLMAN. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Oregon (Mr. ULLMAN), the chairman of the committee.

Mr. ULLMAN. Mr. Speaker, I thank the gentleman from Illinois (Mr. ANDERSON) for yielding.

Mr. Speaker, this House is now faced with a very difficult problem: How do we get a bill in the rapidly diminishing number of hours and days that we have left in this Congress?

One of the unfortunate problems, I will say to my friend, the gentleman from Illinois (Mr. ANDERSON), that the Members face is that when they voted on the previous question, as was stated by the minority, they voted on the supposition that the rule as amended would be one allowing two amendments—and it was clearly on the record—first, the Burleson amendment and, second, an amendment striking section 6. Therefore, we now have the House in a posture question based upon one assumption on the rule; and now we are faced with a different proposed rule altogether.

Mr. Speaker, as the Members know, the Committee on Ways and Means brought an energy bill to the floor under this kind of open rule last year. Many of us know the many hours and days that it took to dispose of that legislation. I am assuming that if we adopted the same kind of rule, it would take the same number of hours and days to complete this bill, and these are hours and days that we do not have.

Mr. Speaker, if my friend, the gentleman from Illinois, will indulge me for just another few minutes, let me suggest to my friend and the Members of the House the best way out of this dilemma: Again I refresh the memory of the Members that we have a proposed rule before us that we really did not ask for; but I suggest that at this point we vote down

the rule, with the assurance that I will call the Committee on Ways and Means together as quickly as possible. Bear in mind, however, that we have terrible time problems on the tax reform package, which is coming along, but still will take almost every minute that we have between now and Thursday night to complete. I must say that it will be a bill which I think we can all be proud of when we bring it, in conference form, to the Congress. Somehow the committees will get down here at 6 o'clock in the morning, if necessary, and have a committee meeting. Then we can go back to the Committee on Rules and attempt to accommodate the people who want a wider choice of amendments in this legislation which they can vote for.

Mr. Speaker, I will do everything in my power, if we vote down this rule, to come back to the Members with another, and broader, rule to bring the bill to the floor just as expeditiously as we possibly can. In my judgment, that is about the only way out of this dilemma in these closing moments of this Congress.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. KETCHUM).

Mr. KETCHUM. Mr. Speaker, perhaps I will not use the 2 minutes.

The argument that has just been made by the chairman of the Committee on Ways and Means is specious.

What in the world can the Committee on Ways and Means do in the next 10 days or in the next 2 weeks that they have not done already? Why cannot the 435 Members of this body participate in the writing of this bill?

Mr. Speaker, the Committee on Ways and Means has worked long and hard on this particular bill. The House has expressed its will, which is that they want an open rule with free and open discussion of all the issues that are involved.

Mr. Speaker, I urge the Members to vote for this rule; and let us get on with the people's business.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin (Mr. STEIGER).

PARLIAMENTARY INQUIRY

Mr. STEIGER of Wisconsin. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. STEIGER of Wisconsin. Mr. Speaker, under the rule that is proposed by the gentleman from Illinois (Mr. ANDERSON), it says that the bill shall be read for amendment and that only amendments printed in the RECORD prior to September 1 shall be in order under the 5-minute rule.

My parliamentary inquiry, Mr. Speaker, is this: Will amendments to the amendments be in order so that we do not have to print in the RECORD pro forma amendments?

The SPEAKER. The Chair will state that any germane amendment, including pro forma amendments, to an amendment properly printed in the RECORD would be in order without being printed.

Mr. STEIGER of Wisconsin. I thank the Speaker.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 1 minute to the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Speaker, I want to urge the Members of the House to vote in favor of the proposed amendment offered by the gentleman from Illinois (Mr. ANDERSON). If we do not pass this amendment, all of our constituents all across this country, who have been waiting years for estate tax reform, the small businessmen and the farmers, will correctly interpret a "no" vote as against their welfare and their best interests. As the Members know, many Members of the Congress have testified in support of estate tax reform as well as many experts in the field of taxation. This bill does not go far enough and needs amendments, especially the Burleson $200,000 exemption provision. We know what the issues are. I believe it is totally unreasonable to say that the House does not have the collective mentality or ability to deal with legislation of this type. As Members of the Congress, we can handle this under an open rule.

Mr. Speaker, I urge the Members to vote in favor of the amendment offered by the gentleman from Illinois (Mr. ANDERSON), otherwise the Members will have to go back to their constituents emptyhanded, to the farmers and to the small businessmen whose heirs will be wiped out by existing estate tax law. This is our chance to come to grips with this subject for the first time in 34 years.

I cannot believe that the majority leadership would fail to abide by the will of the majority if this rule is adopted. Surely they will bring the bill up as scheduled today and proceed with its swift consideration. If the majority does otherwise, they will be clearly to blame if estate tax reform fails to pass this year. This will be a tragic repudiation of millions of farmers and small business owners and their heirs. And it will be a repudiation that will not be soon forgotten.

Mr. DON H. CLAUSEN. Mr. Speaker, as a cosponsor of the original estate tax bill, I strongly support this approach to resolving the problems plaguing our small family farmers and small independent businessmen and women.

I have, therefore, voted to permit consideration of our original bill by voting for an open rule. I commend my colleagues for their willingness to allow this issue to be freely debated and to permit our bill to be offered as an amendment to the proposal presented by the House Ways and Means Committee.

I have received numerous letters from small farmers and small businessmen in my congressional district in support of our original bill. They have indicated to me their concern over the complexity of the committee bill and their steadfast support for the more straightforward, direct approach of our bill.

Our current estate tax laws are in urgent need of reform. Recent surveys have shown that the number of farms in the country is decreasing and, in particular, the small, family-owned farm is disappearing. The high cost of Federal estate taxes is a primary cause of this trend. The same is true of those engaged in comparatively small enterprises. Reform is critical to their survival.

Present law consists of a marital exemption which allows you to pass on 50 percent of your net taxable estate to your spouse tax free and a basic exemption of $60,000. Our bill simply adjusts the exemption figure upward from $60,000 to a more realistic, "inflation adjusted" amount.

This approach is, in my view, the only fair and equitable way of handling this problem. Economists estimate that a higher level of exemption is necessary to merely equal the purchasing power of $60,000 in 1942. In other words, we are simply making an "inflation correction."

Our proposal will also allow farming, woodland, and scenic open space to be assessed for tax purposes based on its current use rather than its higher potential uses.

In many cases, the situation exists where today's farm borders on urban land or land which has been developed for recreation or energy purposes. The higher assessed value of the land also raises the assessment on the farmland. My proposal prevents the increase in the assessment while at the same time it contains a safeguard to prevent us from giving any unfair advantages. To qualify the land must have been in such use for 5 years and remain in the same use for 5 more years.

Our family farm is a symbol of our heritage. It represents the essence of the principle of free enterprise and the freedom and independence which has been the foundation of our country.

It is imperative that we preserve the small family farm and small businesses by easing the present burden of the estate tax. I urge my colleagues to join me in supporting our original proposal as an amendment to the bill.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, as I have already suggested, I can assure the Members that under the terms of this resolution that all amendments must be printed in the RECORD prior to September 1. Any time they wish, the committee that is chaired by the distinguished gentleman from Oregon (Mr. ULLMAN), in spite of the dire prediction and picture that has been painted of hours and hours of debate, he, as the manager of the bill, can move, as I say, at any time, when the patience of the body has been exhausted, to cut off debate on any amendment himself.

Under the amendment to the rule that I have offered, we can have an orderly discussion of this bill and one which will permit the Members to offer amendments to the bill that are germane, amendments that should be debated on this floor, and thus we can proceed to a permanent disposition of the matter.

So, Mr. Speaker, I urge the Members not to reverse themslves, but to vote for the amendment to the rule.

Mr. Speaker, I move the previous question on the amendment and on the resolution.

The SPEAKER. Without objection, the previous question is ordered on the amendment and on the resolution.

There was no objection.

The SPEAKER. The question is on the amendment offered by the gentleman from Illinois (Mr. ANDERSON).

The question was taken; and the Speaker announced that the noes appear to have it.

Mr. ANDERSON of Illinois. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 218, nays 157, not voting 56, as follows:

[Roll No. 675]

YEAS—218

Abdnor	Goodling	Natcher
Addabbo	Gradison	Neal
Allen	Grassley	Nichols
Ambro	Gude	O'Brien
Anderson, Ill.	Guyer	Passman
Andrews, N. Dak.	Hagedorn	Paul
Archer	Hall, Tex.	Perkins
Armstrong	Hamilton	Pettis
Ashbrook	Hammer-schmidt	Pickle
Bafalis	Hansen	Poage
Bauman	Harsha	Pressler
Beard, Tenn.	Heckler, Mass.	Pritchard
Bennett	Hefner	Quie
Bevill	Henderson	Quillen
Biester	Hightower	Railsback
Blanchard	Hillis	Randall
Bowen	Holt	Regula
Breaux	Horton	Rhodes
Brinkley	Hubbard	Rinaldo
Brodhead	Hughes	Roberts
Brooks	Hutchinson	Robinson
Brown, Ohio	Hyde	Rogers
Broyhill	Ichord	Rooney
Buchanan	Jacobs	Rose
Burgener	Jarman	Roush
Burke, Fla.	Jeffords	Rousselot
Burleson, Tex.	Jenrette	Runnels
Butler	Johnson, Colo.	Ruppe
Byron	Johnson, Pa.	Russo
Carr	Jones, N.C.	Sarasin
Carter	Jones, Tenn.	Sarbanes
Cederberg	Kasten	Satterfield
Chappell	Kazen	Schneebeli
Clancy	Kelly	Schroeder
Clausen, Don H.	Kemp	Schulze
Clawson, Del	Ketchum	Sharp
Cleveland	Kindness	Shriver
Cochran	Krueger	Shuster
Cohen	Lagomarsino	Sikes
Collins, Tex.	Landrum	Simon
Conable	Latta	Skubitz
Conte	Leggett	Smith, Nebr.
Coughlin	Lent	Snyder
Crane	Levitas	Spence
D'Amours	Lloyd, Tenn.	Stanton, J. William
Daniel, Dan	Lott	Steiger, Wis.
Daniel, R. W.	Lujan	Stephens
Davis	McClory	Symms
Dent	McCollister	Talcott
Derrick	McDade	Taylor, Mo.
Derwinski	McDonald	Teague
Devine	McEwen	Thone
Dodd	McKinney	Traxler
Downey, N.Y.	Madigan	Treen
Downing, Va.	Mahon	Vander Jagt
Duncan, Tenn.	Mann	Vanik
Early	Martin	Waggonner
Edwards, Ala.	Melcher	Walsh
Emery	Meyner	Wampler
Erlenborn	Michel	Whalen
Evans, Ind.	Milford	White
Fascell	Miller, Ohio	Whitehurst
Fenwick	Mills	Whitten
Findley	Minish	Wiggins
Fish	Mitchell, N.Y.	Wilson, Bob
Flowers	Mollohan	Wilson, Tex.
Flynt	Montgomery	Winn
Fountain	Moore	Wolff
Frenzel	Moorhead, Calif.	Wydler
Giaimo	Mosher	Young, Fla.
Gilman	Mottl	Young, Tex.
Ginn	Myers, Ind.	Zablocki
Goldwater	Myers, Pa.	

NAYS—157

Adams	AuCoin	Bingham
Anderson, Calif.	Baldus	Blouin
Andrews, N.C.	Baucus	Boggs
Annunzio	Beard, R.I.	Boland
Ashley	Bedell	Bolling
Aspin	Bergland	Bonker
	Biaggi	Brademas
Breckinridge	Howe	Patterson, Calif.
Brown, Calif.	Hungate	Pattison, N.Y.
Burke, Calif.	Johnson, Calif.	Pepper
Burke, Mass.	Jones, Okla.	Pike
Burlison, Mo.	Jordan	Preyer
Burton, John	Kastenmeier	Price
Burton, Phillip	Keys	Rangel
Carney	Koch	Reuss
Conyers	Krebs	Richmond
Corman	Lloyd, Calif.	Rodino
Cornell	Long, La.	Roe
Cotter	Long, Md.	Roncalio
Daniels, N.J.	Lundine	Rosenthal
Danielson	McCormack	Rostenkowski
Delaney	McFall	Roybal
Dellums	McHugh	Ryan
Diggs	McKay	St Germain
Dingell	Madden	Santini
Drinan	Maguire	Scheuer
Duncan, Oreg.	Matsunaga	Seiberling
Edgar	Mazzoli	Shipley
Edwards, Calif.	Meeds	Smith, Iowa
Eilberg	Metcalfe	Solarz
English	Mezvinsky	Spellman
Fary	Mikva	Staggers
Fisher	Miller, Calif.	Stark
Flood	Mineta	Steed
Florio	Mink	Stokes
Foley	Mitchell, Md.	Stratton
Ford, Mich.	Moakley	Studds
Fraser	Moffett	Sullivan
Gaydos	Morgan	Symington
Gibbons	Moss	Taylor, N.C.
Gonzalez	Murphy, Ill.	Thompson
Haley	Murphy, N.Y.	Tsongas
Hall, Ill.	Murtha	Ullman
Hanley	Nedzi	Van Deerlin
Hannaford	Nix	Vander Veen
Harkin	Nolan	Vigorito
Harrington	Nowak	Waxman
Harris	Oberstar	Weaver
Hayes, Ind.	Obey	Wilson, C. H.
Hechler, W. Va.	O'Hara	Wirth
Hicks	O'Neill	Yates
Holtzman	Ottinger	Yatron
Howard	Patten, N.J.	

NOT VOTING—56

Abzug	Ford, Tenn.	Peyser
Alexander	Forsythe	Rees
Badillo	Frey	Riegle
Bell	Fuqua	Risenhoover
Broomfield	Green	Sebelius
Brown, Mich.	Hawkins	Sisk
Chisholm	Hays, Ohio	Slack
Clay	Hébert	Stanton, James V.
Collins, Ill.	Heinz	Steelman
Conlan	Helstoski	Steiger, Ariz.
de la Garza	Hinshaw	Stuckey
Dickinson	Holland	Thornton
du Pont	Jones, Ala.	Udall
Eckhardt	Karth	Wright
Esch	LaFalce	Wylie
Eshleman	Lehman	Young, Alaska
Evans, Colo.	McCloskey	Young, Ga.
Evins, Tenn.	Mathis	Zeferetti
Fithian	Moorhead, Pa.	

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Badillo against.

Mr. Brown of Michigan for, with Ms. Abzug against.

Mr. Dickinson for, with Mr. Hawkins against.

Mr. Forsythe for, with Mr. Clay against.

Mr. McCloskey for, with Mrs. Chisholm against.

Mr. Wylie for, with Mrs. Collins of Illinois against.

Until further notice:

Mr. Zeferetti with Mr. Broomfield.

Mr. Young of Georgia with Mr. Esch.

Mr. Alexander with Mr. Evins of Tennessee.

Mr. de la Garza with Mr. Jones of Alabama.

Mr. Eckhardt with Mr. Bell.

Mr. Evans of Colorado with Mr. Heinz.

Mr. Ford of Tennessee with Mr. Frey.

Mr. Fuqua with Mr. Holland.

Mr. Sisk with Mr. Conlan.

Mr. Slack with Mr. Hays of Ohio.

Mr. Stuckey with Mr. du Pont.

Mr. Udall with Mr. Karth.

Mr. Wright with Eshleman.

Mr. Helstoski with Mr. Mathis.

Mr. Fithian with Mr. Peyser.

Mr. Green with Mr. Riegle.

Mr. LaFalce with Mr. Sebelius.

Mr. Lehman with Mr. Steelman.

Mr. Moorhead of Pennsylvania with Mr. Young of Alaska.

Mr. Risenhoover with Mr. James V. Stanton.

Mr. Thornton with Mr. Steiger of Arizona.

Mr. STAGGERS changed his vote from "yea" to "nay."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ANDERSON of Illinois. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the rule, as amended, as adopted.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

CONFERENCE REPORT ON H.R. 8410, PROTECTION OF LIVESTOCK PRODUCERS

Mr. POAGE. Mr. Speaker, I call up the conference report on the bill (H.R. 8410) to amend the Packers and Stockyards Act of 1921, as amended, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. RHODES. Mr. Speaker, reserving the right to object, I would like to inquire what the order of business is for the balance of the day. It was my understanding that the House, rather overwhelmingly, adopted a rule to bring up the Estate and Gift Tax Reform Act of 1976. I just assumed that the next order of business would be for the chairman of the Committee on Ways and Means to move that the House resolve itself into the Committee of the Whole House on the State of the Union.

Could we please have an explanation as to what the House intends to do about this very important piece of legislation, and if there is a change in program, what it is?

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. RHODES. I yield to the distinguished majority leader.

Mr. O'NEILL. Mr. Speaker, to answer the gentleman's inquiry, the program for the remainder of the day is as follows. I am sure the gentleman, in his wise knowledge of strategy, appreciates that State aid to the farmer and aid to the small businessman apparently is ended.

Mr. RHODES. The gentleman from Massachusetts wielded the stiletto.

Mr. O'NEILL. I am sure the gentleman appreciates the fact that there are 23 days left between now and October 2, 23 legislative days, and we cannot conceive of any possible way in which we could

open the tax code and debate it in September and possibly finish the program.

The gentleman from Illinois and the gentleman from Arizona both know that there is more than one way to skin a cat, and if that is the way they want to skin a cat, apparently that is the way it was done.

The gentleman was asking what the program is for the remainder of the day.

Mr. RHODES. Mr. Speaker, I have the time, and I would like to comment on the gentleman's statement before I yield further.

It seems to me that there is plenty of time to bring up this bill. We do not know how many amendments will be printed in the RECORD, as provided by this rule. There may not be very many. Would it not be well to proceed with general debate today on this bill so that, as it seems likely, we could bring up a bill for amendment tomorrow? That would be possible.

Mr. O'NEILL. The chairman of the Ways and Means Committee feels that it is not the proper time to continue forward.

Mr. RHODES. The gentleman from Massachusetts will be killing this bill, not us.

Mr. Speaker, I yield to the gentleman from Massachusetts.

Mr. O'NEILL. The Chair has recognized the gentleman from Texas (Mr. POAGE), and there are four conference reports we are going forward with:

H.R. 8410, Packers and Stockyards Act of 1921; to be followed by H.R. 11670, Coast Guard authorization; H.R. 11481, Maritime Administration authorization, and S. 2145, Indochina refugee children's assistance.

That is the program for the remainder of the day.

Mr. RHODES. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, I wonder why the chairman of the House Ways and Means Committee left the floor so suddenly. I cannot understand why we do not take up H.R. 14844, a bill to revise the estate and gift tax laws of the United States. We have had a great deal of mail from our colleagues on the Ways and Means Committee about this bill. We all have had a great deal of constituent mail. We are perfectly capable of making a judgment on the few amendments that will be offered.

We have passed an appropriate open rule and a majority of the House evidently feels we should proceed to consider H.R. 14844.

Mr. RONCALIO. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Wyoming.

Mr. RONCALIO. Mr. Speaker, I cannot give the gentleman the position of the leadership, but I can surely give him the position which I feel justifies the action taken by our leadership.

I listened with deep interest to every bit of the debate, and I agree with the minority position that I should have the right to vote on the amendment and change in section 6. It also recommended giving an opportunity to make appropriate amendments prior to September 1.

That is not what the debate proposed. I believe this House is run by the Democratic Party, and it will be. I think there was a little slight touch of deception that brought about the first vote.

Mr. ROUSSELOT. Mr. Speaker, I reserve the right to object.

Mr. YATES. Mr. Speaker, I demand regular order.

The SPEAKER. Regular order has been demanded.

Mr. ROUSSELOT. Mr. Speaker, I regret that the chairman of the Committee on Ways and Means was not present to answer questions as to why we are not proceeding with H.R. 14844.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of August 4, 1976.)

Mr. POAGE (during the reading). Mr. Speaker, I ask unanimous consent that the further reading of the statement be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from Texas (Mr. POAGE) for 30 minutes.

Mr. POAGE. Mr. Speaker, I am happy to bring back to the House substantially intact a bill which is badly needed if we are to protect livestock producers and assure an adequate and continuous supply of meat for all Americans.

This bill was reported by the Committee on Agriculture by a vote of 35 to 2 and passed the House by voice vote on May 5. It passed the Senate on June 17, also by voice vote. The Senate made a number of amendments most of which were clerical and of no consequence. However, there were a few substantive amendments which I will describe in a minute. The substantive differences between the House and the Senate were adjusted at a conference on August 3. The conferees on the part of the House and Senate unanimously approved the conference report and it was agreed to by the Senate on August 4.

This bill will go a long way toward correcting the problems confronting livestock producers and packers who operate in commerce. It gives the Secretary of Agriculture authority to require packers to be bonded; and it requires packers to hold all livestock, meats, and proceeds therefrom in trust until all producers who have sold livestock to the packer on a cash basis have been paid.

The House bill would have exempted from these requirements any packer who had average annual purchases of $1,000,000 or less. The Senate lowered the exemption to $500,000, which was the figure recommended by the House Committee on Agriculture in the first place. This is a good change and the House conferees accepted it. It provides uniform protection for producers and a uniform rule for packers without subjecting truly small packers to unnecessary Federal regulation.

The House bill required a producer to preserve his rights under the trust provision by giving notice to the packer and the Secretary of Agriculture within 15 days, if no payment was received, or within 5 business days if he received a bad check. The Senate extended these deadlines to 30 days, in the case of a producer who receives no payment, and 15 business days where he receives a bad check. The House conferees agreed to these amendments since they afford greater protection to the producer.

Under the House bill, both the packer bonding and prompt pay provisions preempt State law. The Senate amended the preemption provision to permit enforcement of State prompt pay laws for livestock purchased by packers at stockyards, so long as such laws are not in conflict with the Packers and Stockyards Act. The Senate also amended the act to provide that the preemption provision would not preclude a State from enforcing a State law with respect to a packer not subject to the laws relating to packers and stockyards. Again, these provisions should give more protection to the producer without unduly burdening packers and, accordingly, they were accepted by the House conferees.

The House bill gives the Secretary of Agriculture authority to order packers to cease and desist from operating while insolvent, or to cease and desist from so operating except under such conditions as the Secretary may prescribe. In addition, the Secretary will have specific authority to request the Attorney General to seek a temporary injunction in Federal district court, to prevent the irreparable injury to producers or members of the industry. Such injury might result if persons subject to the act were permitted to operate while insolvent or otherwise in violation of the act while administrative proceedings were pending. This bill also authorizes the filing in court of a private cause of action seeking damages against any person subject to the act arising out of his violation of any provision of the act, or of any order of the Secretary under the act, relating to the purchase, sale, or handling of livestock. None of these provisions were disturbed by the Senate.

The House bill authorized the Secretary to impose civil penalties of up to $100,000 on packers, market agencies, and dealers in order to facilitate enforcement of the Packers and Stockyards Act, especially in situations in which existing enforcement tools required him either to let the violator go unpunished as happens through the issuance of a cease-and-desist order or impose a punishment such as temporary suspension of his license which also hurts innocent third parties. The civil penalty provision provides the Secretary much more flexibility in issuing meaningful orders in administrative proceedings tailored to the particular offenses and market operations involved. The Senate struck this provision. This, too, would have seriously weakened the bill and the Senate re-

ceded. However, the House conferees agreed to reduce the maximum civil penalty to $10,000.

The House bill amended the Packers and Stockyards Act to clarify that brokers and wholesalers of meat and meat food products are subject to regulation as packers, and that all transactions of packers which operate in commerce, not merely those transactions which are themselves in commerce, are covered by the act. The Senate amended this provision to permit the Secretary of Agriculture to exempt certain brokers and wholesalers. A large and growing proportion of America's meat is being handled by such brokers and wholesalers. The Senate amendment would have seriously weakened the bill and the Senate receded.

Finally, the House bill would have required the Secretary of Agriculture to seek biennial authorizations of appropriations for the Packers and Stockyards Act beginning in fiscal year 1978. The House conferees agreed to accept in substitution for this requirement a provision which requires the Secretary of Agriculture to appear before the House and Senate Agriculture Committees each year to justify the administration's budget request for enforcement of the Packers and Stockyards Act.

Mr. Speaker, this bill comes to grips with the current problems in a fashion which is fair to both producer and packer. It will assure the continued economic viability of many small producers and the continuation of a reliable supply of meat for consumers. Livestock is probably the single most important source of protein in the American diet. The report has the unanimous support of both House and Senate conferees and has been accepted by the Senate. I urge the Members to likewise accept it so that we may speed the bill to the President and get this badly needed legislation into effect.

Mr. THONE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is a pleasure to speak on behalf of the conference report on H.R. 8410, a bill I introduced, with Mr. BERGLAND as a cosponsor, to amend the Packers and Stockyards Act of 1921, as amended, and for other purposes.

This is a conference in which it was a pleasure to be a participant. All of our differences with the Senate were easily resolved, and the conference report was unanimously approved.

Before continuing further, I wish to commend my colleague, Mr. POAGE, across the aisle, for his leadership in moving this important piece of legislation successfully through the House and through a short but meaningful and harmonious conference.

I would also like to commend all of the House conferees for their efforts to resolve our differences with the Senate which permitted us to come to the House with a measure which is corrective of many of the problems that have persistently confronted our livestock producers and packers for years.

As I explained when this matter first came up on the floor some months ago in the spring of 1975 I was confronted by two young constituents of mine—a man and his wife—who had in their hands a substantial rubber check issued by American Beef Packers, who had declared bankruptcy. The young people were just starting farming, and this check represented a big chunk of their equity in their farming operation. It was a most dramatic meeting for me.

I promised myself at that time that I would do everything in my power to insure that this couple and others like them would not have to go through such a financial wringer again.

I recommend your adoption of this conference report as a necessary and reasonable piece of legislation—fair to both producers and packers. It will, in my opinion, prevent the reoccurrence of the tragic circumstance that befell many—such as the young couple in my concountry in recent years.

My friend from Texas, Mr. POAGE, has gressional district—throughout the set forth in detail the results of our conference, and there is not much I can add to his explanation. However, I would like to add a few comments:

First. Of prime importance, proposed section 201(c) as amended in the Senate, would have exempted general wholesale food brokers, dealers or distributors in instances where the Secretary determined that their inclusion as packers was not necessary to carry out the purposes of this act.

The Department has somewhat limited information with respect to the persons who are engaged in this business, and their relationships with other packers or with other wholesale brokers, dealers, or distributors. However, it is certainly known that a definite trend is established toward the marketing of meat by packers through "boxed" or other containerized procedures. Wholesale food brokers, dealers and distributors, not involved in the preparation of meat for sale, thus exercise a greater role in the marketing of meat than in the past. Some of these brokers have engaged in most questionable and illegal practices in the past!

Extensive information as to the nature of practices engaged in by many of these firms and the extent of problems in connection with "boxed" beef and similar marketing procedures is not yet fully available. Therefore, a fairly extensive and costly examination of this segment of the wholesale meat business would have been required just to determine who may have been exempted without impairing the ability of the Department to carry out a most important purpose of the act.

No serious regulatory burden is to be imposed upon any general wholesale food broker, dealer or distributor in connection with their handling of meat or meat food products. This is again accentuated in the conference report at the direction of the conferees. Also, these persons have not been made subject to either the bonding, the trust or payment provisions in this bill. They would have to conduct their meat operations, however, in a fair, competitive, manner in competition with slaughterers, meat processors and other persons selling meat at wholesale. "What's wrong with that?" I ask.

USDA is to make such investigations as necessary to eliminate unfair or competitive practices which adversely affect the marketing of meat and meat food products at wholesale. Of course, such jurisdiction as the Department exercises in this area is to be limited to the marketing of meat, meat food products and livestock products in unmanufactured form. Transactions with respect to other food products are currently under the jurisdiction of the Federal Trade Commission and are not, and would not be, subject to the jurisdiction of the Secretary.

In view of the limited provisions of the act which would be applicable to wholesale food brokers, dealers and distributors, I feel strongly that it would not be in the public interest to expend the resources necessary for those determinations and regulations required under the exception in section 201(c) and as explained above, I anticipate no serious regulatory burden upon any legitimate wholesale broker, dealer or distributor in being subject to the limited provisions of the act. Furthermore, much litigation would have resulted from regulations describing exemptions as to whether the exemptions were sufficiently inclusive, whether the determinations were valid or whether particular persons were or were not included in the described exemptions.

In summary, the Senate amendment, in attempting to provide for the possible exclusion of certain general food wholesalers whose sale of meat and meat food products at the moment had little effect upon the wholesale meat business, but would have created jurisdictional uncertainty, would have resulted in increased litigation, delay in the correction of illegal competitive practices, and unnecessarily increased the cost of administration of the act. Therefore, it was vital that the needed and most important provision in the House bill be retained, and it was.

Second. The conference report lowers the exemption for packers—from the bonding and trust requirements of the bill—from $1 million to $500,000. The latter is a more reasonable exemption for small packers, or locker plants, and it is the level recommended by the committee initially.

Third. The conference report incorporates a provision from the Senate which would increase from 15 to 30 days an opportunity to a producer to preserve his rights under the trust provisions by giving notice to the packer and Secretary if no payment was received and from 5 business days to 15 business days if a bad check is received. This extension is reasonable in the view of the House conferees.

It is sufficient to state, I believe, that the strong provisions which were included in the House version of this bill were retained in the conference. In some instances, such as lowering the exemption for packers—from the bonding and trust requirements of H.R. 8410—from $1 million to $500,000—the Senate provision was more reasonable in that it

exempted only truly small packers and locker plants.

All in all, the House provisions which gave strength and meaning to this bill were retained, as Mr. POAGE has explained in detail. Where we receded to the Senate, it was done in instances which we believed would result in a better bill for both producers and packers and assist in the better administration of the Packers and Stockyards Act.

I strongly urge you to support this conference report. It has been accepted by the Senate, and our prompt action in passing it will see the implementation of a good legislative measure at an early date, for I am confident that the President will sign it promptly and with pleasure.

Mr. WAMPLER. Mr. Speaker, will the gentleman yield?

Mr. THONE. I yield to the gentleman from Virginia.

Mr. WAMPLER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in support of the conference report on H.R. 8410, a bill to amend the Packers and Stockyards Act of 1921, as amended.

First, Mr. Speaker, I wish to compliment Mr. POAGE, the vice chairman of the Agriculture Committee, for the fine job he has done in shepherding this bill through the House and successfully concluding a good conference with the Senate.

I also wish to compliment my colleague, Mr. THONE of Nebraska, for taking the initiative in introducing this badly needed reform measure and tenaciously fighting on its behalf in committee, in the House, and in the conference. What he and the other conferees have brought you is a good resolution of the differences which existed between the Senate and House versions of this important measure.

I also wish to compliment my friend from Minnesota, Mr. BERGLAND, who cosponsored this bill in the House and who made important contributions to its consideration during the hearings and markup which took place in the committee and during the discussions in the House and in conference.

The differences which existed between the House and the Senate versions of this reform measure which have been satisfactorily resolved are recited for your information, in part, as follows:

The standard for the exemption from bonding of small packers has been reduced to $500,000 from $1 million and this is an improvement for it basically exempts only truly small packers and locker plants. The term packer as defined in the House bill was basically adopted. It embraces such groups as wholesale brokers, dealers, or distributors in commerce.

The House version of administrative civil penalties provision was adopted with an amendment to reduce the penalty to $10,000. This gives greater flexibility to the treatment and handling of penalties by permitting reasonable fines rather than requiring suspensions when enforcement proceedings are held.

These are representative of the resolution of differences reached by the Congress and I endorse the conference report and commend it to you for adoption on a favorable vote should it follow consideration of the report. The House version in my opinion, generally prevailed and I believe this is a considerable improvement over existing law.

Mr. THONE. Mr. Speaker, I thank the distinguished gentleman from Virginia (Mr. WAMPLER), who has been a tremendous help in the processing of this legistion.

Mr. BEDELL. Mr. Speaker, I rise in support of the conference report on H.R. 8410, a bill which will provide muchneeded and long-overdue protection for livestock producers against financial losses after they sell their livestock to packinghouses.

At present, farmers and ranchers have little protection against losses should a packing company go bankrupt. Past history is replete with examples of the injustice and hardship which such a situation has caused producers. In January 1975, American Beef Packers, Inc., one of the largest meatpacking operations in the country, filed for bankruptcy. As a result, nearly 1,000 producers faced a possible loss of over $22 million on livestock which they had previously delivered to American Beef in good faith. In my State of Iowa alone, the potential loss was $6.6 million to 744 cattle producers.

And the American Beef incident is not an isolated case. Since 1958, 175 packers have gone out of business leaving thousands of producers holding worthless checks for over $47 million in sales. In many cases, we are asking producers to play Russian roulette with their livelihoods. It is clearly time that the Congress address this very serious problem—for the good of the producer and the consumer, and in the name of simple equity.

The livestock producer faces enough uncertainty and risks in preparing his cattle for market without subjecting him to the possibility of severe losses when he finally sells them. Packinghouses should be bonded, and the producer should be assured prompt payment for his product. H.R. 8410 would accomplish both objectives.

Mr. Speaker, H.R. 8410 is sound and responsible legislation. It offers necessary protection for the producer without placing unreasonable demands on the packer. It has been subject to thorough study and debate in both Houses of Congress. In my view, this bill will benefit the general economic health of the livestock industry and the Nation, and I urge its prompt enactment into law.

Mr. POAGE. Mr. Speaker, I have no further requests for time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the ayes appear to have it.

Mr. THONE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 352, nays 3, not voting 76, as follows:

[Roll No. 676]

YEAS—352

Abdnor	Drinan	Landrum
Adams	Duncan, Oreg.	Latta
Allen	Duncan, Tenn.	Leggett
Ambro	Early	Lent
Anderson, Calif.	Edgar	Levitas
Anderson, Ill.	Eilberg	Lloyd, Calif.
Andrews, N.C.	Emery	Lloyd, Tenn.
Andrews, N. Dak.	English	Long, La.
Annunzio	Erlenborn	Long, Md.
Archer	Evans, Ind.	Lott
Armstrong	Fary	Lujan
Ashley	Fascell	Lundine
Aspin	Fenwick	McClory
AuCoin	Findley	McCollister
Bafalis	Fish	McCormack
Baldus	Fisher	McDade
Baucus	Flood	McEwen
Bauman	Florio	McFall
Beard, R.I.	Flowers	McHugh
Beard, Tenn.	Flynt	McKay
Bedell	Foley	McKinney
Bennett	Ford, Mich.	Madden
Bergland	Fountain	Madigan
Bevill	Frenzel	Maguire
Biaggi	Gaydos	Mahon
Biester	Giaimo	Mann
Bingham	Gibbons	Martin
Blanchard	Gilman	Matsunaga
Blouin	Ginn	Mazzoli
Boggs	Goldwater	Meeds
Boland	Gonzalez	Melcher
Bolling	Goodling	Metcalfe
Bonker	Gradison	Meyner
Bowen	Grassley	Mezvinsky
Brademas	Gude	Michel
Breaux	Guyer	Milford
Breckinridge	Hagedorn	Miller, Calif.
Brinkley	Haley	Miller, Ohio
Brodhead	Hall, Ill.	Mills
Brooks	Hall, Tex.	Mineta
Brown, Ohio	Hamilton	Minish
Broyhill	Hammer-schmidt	Mink
Buchanan	Hanley	Mitchell, Md.
Burgener	Hannaford	Mitchell, N.Y.
Burke, Calif.	Hansen	Moakley
Burke, Fla.	Harkin	Moffett
Burke, Mass.	Harrington	Mollohan
Burleson, Tex.	Harris	Montgomery
Burlison, Mo.	Harsha	Moore
Burton, John	Hayes, Ind.	Moorhead, Calif.
Burton, Phillip	Hechler, W. Va.	Morgan
Butler	Heckler, Mass.	Mosher
Byron	Henderson	Moss
Carney	Hicks	Mottl
Carr	Hightower	Murphy, Ill.
Carter	Hillis	Murphy, N.Y.
Cederberg	Holland	Murtha
Clancy	Holt	Myers, Ind.
Clausen, Don H.	Holtzman	Natcher
Clawson, Del	Horton	Nedzi
Cleveland	Howard	Nichols
Cochran	Howe	Nix
Cohen	Hubbard	Nolan
Collins, Tex.	Hughes	Nowak
Conable	Hungate	Oberstar
Conte	Hutchinson	Obey
Conyers	Hyde	O'Brien
Corman	Jacobs	O'Hara
Cornell	Jarman	O'Neill
Cotter	Jeffords	Ottinger
Coughlin	Jenrette	Patten, N.J.
Crane	Johnson, Calif.	Patterson, Calif.
D'Amours	Johnson, Colo.	Pattison, N.Y.
Daniel, Dan	Johnson, Pa.	Pepper
Daniel, R. W.	Jones, N.C.	Perkins
Daniels, N.J.	Jones, Okla.	Pettis
Danielson	Jones, Tenn.	Pickle
Davis	Jordan	Pike
Delaney	Kasten	Poage
Dellums	Kazen	Pressler
Dent	Kelly	Price
Derwinski	Kemp	Pritchard
Devine	Ketchum	Quie
Dingell	Keys	Quillen
Dodd	Kindness	Railsback
Downey, N.Y.	Koch	Randall
Downing, Va.	Krebs	Rangel
	Krueger	Regula
	Lagomarsino	

Rhodes	Shriver	Treen
Richmond	Shuster	Tsongas
Rinaldo	Sikes	Ullman
Roberts	Simon	Van Deerlin
Robinson	Skubitz	Vander Jagt
Rodino	Smith, Iowa	Vander Veen
Roe	Smith, Nebr.	Vanik
Rogers	Snyder	Vigorito
Roncalio	Solarz	Waggonner
Rooney	Spellman	Walsh
Rose	Spence	Wampler
Rosenthal	Staggers	Waxman
Rostenkowski	Stanton,	Weaver
Roush	J. William	Whalen
Rousselot	Stark	White
Roybal	Steed	Whitehurst
Runnels	Steiger, Wis.	Whitten
Ruppe	Stephens	Wiggins
Russo	Stokes	Wilson, Bob
Ryan	Stratton	Wilson, C. H.
St Germain	Studds	Wilson, Tex.
Sarasin	Sullivan	Winn
Sarbanes	Symington	Wirth
Satterfield	Symms	Wolff
Schneebeli	Talcott	Yates
Schroeder	Taylor, Mo.	Yatron
Schulze	Taylor, N.C.	Young, Fla.
Seiberling	Thompson	Young, Tex.
Sharp	Thone	Zablocki
Shipley	Traxler	

NAYS—3

Myers, Pa.	Paul	Wydler

NOT VOTING—76

Abzug	Fithian	Passman
Addabbo	Ford, Tenn.	Peyser
Alexander	Forsythe	Preyer
Ashbrook	Fraser	Rees
Badillo	Frey	Reuss
Bell	Fuqua	Riegle
Broomfield	Green	Risenhoover
Brown, Calif.	Hawkins	Santini
Brown, Mich.	Hays, Ohio	Scheuer
Chappell	Hébert	Sebelius
Chisholm	Hefner	Sisk
Clay	Heinz	Slack
Collins, Ill.	Helstoski	Stanton,
Conlan	Hinshaw	James V.
de la Garza	Ichord	Steelman
Derrick	Jones, Ala.	Steiger, Ariz.
Dickinson	Karth	Stuckey
Diggs	Kastenmeier	Teague
du Pont	LaFalce	Thornton
Eckhardt	Lehman	Udall
Edwards, Ala.	McCloskey	Wright
Edwards, Calif.	McDonald	Wylie
Esch	Mathis	Young, Alaska
Eshleman	Mikva	Young, Ga.
Evans, Colo.	Moorhead, Pa.	Zeferetti
Evins, Tenn.	Neal	

The clerk announced the following pairs:

Ms. Abzug with Mr. Ashbrook.
Mr. Addabbo with Mr. Bell.
Mr. Chappell with Mr. du Pont.
Mrs. Chisholm with Mr. Wylie.
Mr. Hawkins with Mr. Peyser.
Mr. Moorhead of Pennsylvania with Mr. Brown of California.
Mr. Young of Georgia with Mr. Helstoski.
Mr. Zeferetti with Mr. Eckhardt.
Mr. Udall with Mr. Kastenmeier.
Mr. Teague with Mr. Broomfield.
Mr. Santini with Mr. Preyer.
Mr. Badillo with Mr. Conlan.
Mr. Fuqua with Mr. Karth.
Mr. Alexander with Mr. Edwards of Alabama.
Mr. de la Garza with Mr. Jones of Alabama.
Mr. Derrick with Mr. Brown of Michigan.
Mr. Evans of Colorado with Mr. Heinz.
Mr. LaFalce with Mr. McCloskey.
Mr. Lehman with Mr. Esch.
Mr. Mathis with Mr. Rees.
Mr. Thornton with Mr. Frey.
Mr. Sisk with Mr. Dickinson.
Mr. Slack with Mr. Fraser.
Mr. Ford of Tennessee with Mr. Risenhoover.
Mr. Fithian with Mr. Diggs.
Mr. Neal with Mr. Forsythe.
Mr. Mikva with Mr. Riegle.
Mr. McDonald with Mr. Eshleman.
Mr. Edwards of California with Mr. Scheuer.
Mrs. Collins of Illinois with Mr. Steelman.
Mr. Clay with Mr. Evins of Tennessee.
Mr. Hébert with Mr. Steiger of Arizona.
Mr. Hefner with Mr. Sebelius.
Mr. Ichord with Mr. Stuckey.
Mr. Green with Mr. Young of Alaska.
Mr. Passman with Mr. Reuss.
Mr. Wright with Mr. Hays of Ohio.

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on H.R. 8410, just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

CONFERENCE REPORT ON H.R. 11670, COAST GUARD AUTHORIZATION FOR FISCAL YEAR 1977

Mr. BIAGGI. Mr. Speaker, I call up the conference report on the bill (H.R. 11670) to authorize appropriations for use of the Coast Guard for the procurement of vessels and aircraft and construction of shore and offshore establishments, to authorize for the Coast Guard a year-end strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 28, 1976.)

Mr. BIAGGI (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BIAGGI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill H.R. 11670, authorizes appropriations for the Coast Guard for fiscal year 1977, for the procurement of vessels and aircraft, for the construction of shore and offshore establishments, for the establishment of military personnel ceilings, and for the establishment of average military training student loads.

As the bill originally passed the House, the total authorization for vessels was $187,168,000; for aircraft, $92,500,000; and construction of shore and offshore establishments, $24,401,000.

The bill was amended in several particulars by the Senate, resulting in an authorization for vessels of $136,168,000; for aircraft of $24,300,000; for vessels and/or aircraft of $100,000,000; and for shore and offshore establishments of $24,401,000. The total Senate authorization amounted to $284,869,000, or $19,200,000 less than the House authorization. As indicated in the statement of managers, the conferees accepted the Senate amendments.

Another provision in the bill, not directly involving fiscal year 1977 authorization, provided for expansion of the annual authorization process to include operating expenses, improvements of existing facilities, alteration of obstructive bridges over navigable waterways, and research, development, and test evaluation items not presently subject to an annual authorization. In its amendments to the bill, the Senate proposed to delete that provision. As indicated in the statement of managers, the conferees supported the House provision.

In two further amendments to the House bill, the Senate added new sections prohibiting use of funds authorized or appropriated for the operation and maintenance of the Coast Guard for the purpose of enforcing the Federal Boat Safety Act of 1971 on certain waters within the State of New Hampshire. As indicated in the statement of managers, the conferees accepted the Senate position, with an amendment, which would limit its effect to fiscal year 1977.

The second Senate amendment added a new section which would authorize special treatment in connection with the issuance of permits for certain cargo-carrying vessels operating within the State of Alaska, where isolated communities cannot readily be supplied with fuel and stores without the relaxation of certain vessel inspection laws. As indicated in the statement of managers, the conferees accepted the Senate position, with an amendment, which inserted language clarifying the exact extent of this exemption.

I ask for the adoption of the conference report.

Mr. RUPPE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to urge my colleagues to support the Conference Report for the Coast Guard Authorization bill for the fiscal year 1977. As one of the Conferees, I believe a number of sensible changes were made in the bill without sacrificing the basic position of the House.

Of major concern to me and residents in the Great Lakes is the need to expand the ice-breaking capability of the Coast Guard. The House version of H.R. 11670 included authorization for "four small domestic icebreakers" which were estimtaed to cost $52 million. The Senate amendment deleted specific reference to the four icebreakers and simply authorized $50 million "for procurement of vessels with ice-breaking capability to be used on the Great Lakes." While I would have preferred the specific authorization for the four ships, the basic thrust of the provision in the Senate-accepted amendment is the same. This new $50 million authorization recognizes the need for enhanced maritime safety and the realities

of moving commerce on the Lakes in the winter season.

I would also like to point out that this legislation affords the United States an opportunity, consistent with the Buy American Act, to contract for the construction of icebreakers in Finland. The technical skills of the Finns have been acknowledged by the several foreign countries who have purchased Finnish-built vessels and by the Coast Guard who has had extensive liaison with the Finns in icebreaking technologies. Finnish shipbuilders offer what many consider a superior product, a vessel that is fully guaranteed both as to design and performance.

More importantly is the fact that our Department of State has indicated that procurement of Finnish icebreakers would help significantly to strengthen Finland's economic and democratic political system and that it would be in accordance with approved U.S. policy objectives, in Finland. Such procurement would convey the concern for the maintenance of Finnish independence and security, demonstrate U.S. appreciation to a country exposed to persistent efforts to tie its economy to that of the Soviet Union, and help the Finns instill political balance in their ship exports.

It would also provide a strong—and to many a most important—psychological boost to Finnish patriots who are striving against odds to maintain a Western orientation of Finnish foreign trade, and undercut criticism from the Finnish citizenry of the imbalance in United States-Finnish bilateral trade which has become heavily weighted in favor of the United States in recent years, largely as a result of Finnish purchase of American DC–9 and DC–10 aircraft.

Finally, I would like to note that the conference succeeded in reducing the total authorization level from $304 million to $284.8 million. This was done by making some sensible cuts which should not in any way reduce the effectiveness of the Coast Guard mission.

I would hope that the House will pass this Conference Report so that we may send it on to the President and begin the process of obtaining new additions to the Coast Guard inventory which have been needed for many years.

Mr. BIAGGI. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 11481, MARITIME APPROPRIATION AUTHORIZATION ACT OF FISCAL YEAR 1977

Mr. DOWNING of Virginia. Mr. Speaker, I call up the conference report on the bill (H.R. 11481) to authorize appropriations for the fiscal year 1977 for certain maritime programs of the Department of Commerce, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 29, 1976.)

Mr. DOWNING of Virginia (during the reading). Mr. Speaker, I ask unanimous consent to dispense with further reading of the statement.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. DOWNING of Virginia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I urge approval of the Conference Report on H.R. 11481.

On March 11, 1976, by an overwhelming vote of 315 yeas to 42 nays, the House of Representatives passed H.R. 11481, the authorization request of the Maritime Administration for fiscal year 1977.

On June 15, 1976, the Senate passed, by a voice vote, H.R. 11481, with amendments.

The differences between the House-passed bill and the Senate amendments were resolved in conference on July 22, 1976, as set forth in the conference report on H.R. 11481 before the House at this time.

Permit me to comment on the contents of the conference report.

Mr. Speaker, there is but one substantive change between the House-passed bill and the Senate amendments. As pointed out in the conference report, the conferees on the part of the House agreed to the Senate amendment that would increase the amount authorized for research and development activities by $3 million—from $19.5 to $22.5 million. This increase is intended to accelerate an ongoing Maritime Administration research and development project to fund ocean testing of industrial plant ships, and to conduct the necessary studies regarding the long-term prospects for commercialization of ocean thermal energy.

I wish to point out to my colleagues that no hearings were held on this provision in the House, but the subject matter will be examined during the hearings on the fiscal year 1978 maritime authorization bill. However, as this $3 million has not been included in the appropriate appropriations act, the conferees on the part of the House agreed to this Senate amendment as an expression of support of this important provision.

The remaining Senate amendments agreed to by the conferees on the part of the House were the title to the bill, and the accompanying technical changes.

I urge my colleagues in the House to approve the conference report on H.R. 11481.

Mr. RUPPE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the conference report on H.R. 11481, which is to authorize appropriations for the Maritime Administration for fiscal year 1977. I should like to indicate, however, that, since the appropriations bill for the Department of Commerce has already been signed into law, what we do today has little consequence. If the process is to have any meaning, it is my hope that the Senate will act more quickly on this authorization in the future.

This conference report contains one significant change from the bill which originally passed the House. It increases the Maritime Administration's Research and Development budget from $19.5 to $22.5 million. The additional $3 million is to be used to fund research on seagoing ocean thermal energy development. The additional money was not included in the President's budget. Because the appropriation bill has already passed, this additional authorization will not result in the expenditure of any more money. However, the House conferees agreed to put in the additional amount to express Congress's support for this important project.

Other changes made by the conference are purely technical or conforming in nature. I ask all Members to join me in voting for the adoption of this conference report.

Mr. DOWNING of Virginia. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

DIRECTING CLERK OF THE HOUSE TO MAKE CORRECTION IN ENROLLMENT OF H.R. 11481

Mr. DOWNING of Virginia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate concurrent resolution (S. Con. Res. 134) directing the Clerk of the House to make a correction in the enrollment of H.R. 11481, and ask for its immediate consideration.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the Senate concurrent resolution as follows:

S. CON. RES. 134

Resolved by the Senate (the House of Representatives concurring), That the Clerk of the House of Representatives in the enrollment of the bill (H.R. 11481) to authorize appropriations for the fiscal year 1977 for certain maritime programs of the Department of Commerce, and for other purposes, is authorized and directed to make the following correction: strike out "SEC. 4", and insert in lieu thereof "SEC. 3".

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

AUTHORIZING AND DIRECTING CLERK TO MAKE CORRECTIONS IN ENROLLMENT OF H.R. 11670

Mr. BIAGGI. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate concurrent resolution (S. Con. Res. 133) to make certain cor-

rections in the enrollment of H.R. 11670, and ask for its immediate consideration.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate concurrent resolution as follows:

S. CON. RES. 133

Resolved by the Senate (the House of Representatives concurring), That the Clerk of the House of Representatives is authorized and directed to make corrections in the enrollment of H.R. 11670 as follows:

That in the second section numbered "6" change the section number to "7".

That in the section numbered "7" change the section number to "8".

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON S. 2145, INDOCHINA REFUGEE CHILDREN ASSISTANCE ACT OF 1975

Mr. PERKINS. Mr. Speaker, I call up the conference report on the Senate bill (S. 2145) to provide Federal financial assistance to States in order to assist local educational agencies to provide public education to Vietnamese and Cambodian refugee children, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 1, 1976.)

Mr. PERKINS (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER. The gentleman from Kentucky (Mr. PERKINS) is recognized for 30 minutes.

Mr. PERKINS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I bring before the House today the conference report on S. 2145, the Indochina Refugee Children Assistance Act. This conference report is a sound, reasonable compromise between the widely varying positions proposed in the House and Senate bills.

Before I describe the details of this compromise, however, I would like to reiterate what was stated so often during the earlier debate on this bill: the Federal Government bears some responsibility for assisting in the education of these refugees from Indochina because we as a nation decided to open our doors to their entry after last year's tragic events in Southeast Asia. This was a national decision, and the consequences of this decision must be borne by all levels of government, including the Federal Government.

At this point I would like to commend particularly Congressman ED ROYBAL and California State Superintendent of Public Instruction and Director of Education, Wilson Riles, for bringing to our attention so forcefully and eloquently the problems facing these refugees and for making such a strong case for Federal assistance in helping them.

And, there can be little doubt that these refugees have a great need for assistance in adjusting to American life. According to the Department of Health, Education, and Welfare, 64.7 percent of these refugees from Southeast Asia came into our country in 1975 with no facility in English. An additional 21 percent had only a limited knowledge of English.

As for the children, the HEW task force on refugees concluded recently that few of them had enough English to keep up in regular classrooms. The task force, in fact, found that almost half of the children attending school the first year had to repeat the subject matter they were taught the previous year in Vietnam due to a lack of familiarization with English.

During the 1975–76 school year the administration sought to fulfill the Federal responsibility for the education of these refugee children by assisting local school districts through a program entailing an expenditure of $15 million under the general authority of the Indochina Migration and Refugee Assistance Act. Another $5 million was made available for adult education. But this program expired on June 30 of this year, and the administration has been making no plans to extend this aid beyond that date.

What our conference report does, in effect, is to continue the administration's program for another year at approximately the same level of funding.

This course of action will permit us to provide assistance from the Federal Government to local school districts with a minimal amount of new paperwork and with few new regulations. And, we strongly urge the administration to keep to the absolute minimum the amount of paperwork and regulations used to implement this bill by continuing to use, wherever possible, the forms developed for last year's program.

It was very difficult for the conference committee to reach this agreement because the approaches proposed in the Senate and House bill varied so greatly. The Senate bill proposed a Federal grant to pay for the full cost of providing a basic education for these children during fiscal year 1976 and a grant for 50 percent of the costs during fiscal 1977. The Senate bill also proposed an additional grant for supplementary services for these children, assistance over and above their basic education. Last, their bill proposed Federal grants for adult education for Indochina refugees.

The House bill proposed a much more limited form of aid. Grants would have been provided only through fiscal 1976, and this assistance for local school districts would have been limited to the amounts which the school districts could prove were attributable to the extra costs involved in educating these refugee children. Furthermore, the House bill did not provide any type of assistance for adult refugees.

Given these widely varying approaches to fulfilling the Federal obligation, our task in conference was very difficult. As I have already stated though, we believe that our compromise makes a great deal of sense. And, it is an approach with the near unanimous support of the conferees.

The compromise can be described in the following six points:

First, we adopted the House formula for fiscal 1976, but this proposal was included solely to meet the rules of the conference. This provison will not take effect for fiscal 1976 because that year has already terminated.

Second, the Senate proposal was adopted to provide some type of aid during fiscal 1977, but this aid will be provided in the same form as the administration's program during fiscal 1976, namely $300 a refugee student for the first 100 students in a school district or for those refugee students composing 1 percent of a school district's enrollment, and $600 a student for those students in excess of those numbers. It will not be provided at the much higher figures proposed in the Senate bill.

Third, this aid will be provided through a simple application procedure showing that the refugee children are being educated within a particular school district and that these funds will be used to assist in this education. There will be no complicated procedure providing evidence of the precise expenditure of every additional dollar for these children as proposed in the House bill.

Fourth, the conference agreement incorporates the provisions from the House bill requiring the participation of refugee children in private nonprofit schools in programs receiving aid.

Fifth, the conference agreement incorporates the Senate provision authorizing the use of funds under the Adult Education Act for programs for adult refugees.

Sixth and last, the conference agreement treats Guam as a State for the purposes of making grants.

Mr. Speaker, I believe that this conference agreement is a sound compromise fulfilling the Federal obligation to assist in educating these children. This proposal will lead to an expenditure of approximately the same amount of money—$20 million—as the administration's program cost last year. And it will involve minimal paperwork and regulations. It deserves the support of the House.

Before I close, I would like to make one last point. After the Senate and House each passed its own version of this legislation, the Congress enacted and the President signed into law a bill amending the Indochina Migration and Refugee Assistance Act of 1975 to include refugees from Laos under this act. Since our conference report refers to this

act for its definition of the children and adults to benefit from our conference report, we naturally are proposing that Laotian refugees be included as well as Vietnamese and Cambodians.

Mr. QUIE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the conference report on S. 2145, a bill to provide Federal aid to school districts for the education of Indochinese refugee children and to provide for adult education programs for the older refugees. The provisions agreed to by the conference committee for the most part extend the program originally initiated by the administration under general provisions of the Indochinese Refugee Migration and Assistance Act of 1975 for 1 additional year. Under the 1975 law, HEW has been making discretionary payments to school districts of $300 for the first 100 or 1 percent of the children in the district, with a payment of $600 for each child in excess of that number. To date, approximately $14.5 million have been expended in the support of local school district programs.

The House bill had called for the termination of the program at the end of fiscal 1976; however, it was agreed in the conference that there was need for an additional year's support to provide the the services necessary to bring these children up to a competitive level.

In addition, the conference members felt strongly that there is a pressing need for a program of grants to aid in the preparation of adult refugees for productive employment. Therefore, the conference accepted, with some modification, the provisions of the Senate bill which provides for discretionary grants to support adult education and manpower training prgorams for adult refugees. This was done in the face of compelling evidence that many refugees lack the language and occupational skills necessary to enable them to be self-supporting. It is estimated that $5 to $6 million will be needed for this purpose in the coming year.

It should also be noted that the conference agreement contains provisions of the House bill which require the participation of refugee children enrolled in nonpublic schools in agencies funded under this act.

It should also be noted that the conferees, and language is contained in the statement of managers, that it is not the intent of the conferees to permit the use of section 414 of the General Education Provisions Act with respect to this program. It is understood that appropriate language has been included by the other body to a pending education bill to make this language a matter of law. That language would insure that the provisions of this act will extend only through fiscal 1977, and may not be extended for another year under provision of the contingent extension authority of section 414 of the General Education Prosions Act.

I have received a copy of a letter to Mr. RHODES from the Honorable Marjorie Lynch, Under Secretary of HEW, stating the administration's view on the conference report which I enclose at this point in the RECORD:

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., July 19, 1976.

Hon. JOHN J. RHODES,
Minority Leader, U.S. House of Representatives, Washington, D.C.

DEAR MR. RHODES: As the House of Representatives prepares to consider S. 2145, the "Indochina Refugee Children Assistance Act of 1976", I would like to share with you the Administration's position on this measure.

As the Department has stated on numerous occasions, we are generally opposed to provisions of this legislation relating to assistance for elementary and secondary education. We believe that the Federal government is providing appropriate assistance to State and local educational agencies to meet the refugees' immediate needs for supplemental educational services.

Under the Indochina Migration and Refugee Assistance Act of 1975, the Department has paid a total of $20 million during the current fiscal year to assist in the education of both the children and adult refugees ($15 million for children and $5 million for adults). Most school districts have already received their full grants from the Office of Education to provide supplemental services for the refugee children. The Department has provided $300 for each refugee child enrolled in every school district. An additional $300 was provided for each refugee child the district enrolls above 100 or 1% of its enrollment. Grants totaling approximately $700,000 were also given to State educational agencies for related leadership and training activities. In addition to educational assistance for school age children, the Department made grants to State educational agencies to offer English instruction to adult refugees under the Adult Education Program in the Office of Education.

We continue to believe that there is no additional need for Federal elementary and secondary education assistance for refugees. The remaining responsibility for providing basic educational costs should be borne by State and local governments. However, the conference report provisions would substantially reduce the authorized Federal expenditures for elementary and secondary assistance below the levels authorized in either the House or Senate versions of the bill, making such provisions less objectionable from the Department's standpoint.

The conference report would also accept the provisions of the Senate version of S. 2145 which would add a new section 315 to the Adult Education Act for the purpose of making grants to State education agencies to operate special adult education programs for refugees in fiscal year 1977. We have no objection to the adult education provision of S. 2145.

Under the authority of the Indochina Migration and Refugee Assistance Act of 1975, HEW is making special efforts to increase the employment of refugees and reduce the burden on public assistance. In addition to the $5 million already available to the States for adult education, HEW has provided $7 million for adult employment training projects that will enhance refugees' job skills and English-language abilities. Assistance also is available to communities through the CETA program to develop and improve job skills and promote employment of Indochinese refugees.

We are advised by the Office of Management and Budget that there is no objection to the presentation of these views from the standpoint of the Administration's program.

Sincerely,

MARJORIE LYNCH,
Under Secretary.

From the background work which was done in preparation for the conference, it is clear that one of the most pressing problems affecting the refugees is the lack of legal status designating them as permanent resident aliens. That is something which requires the action of the Judiciary Committee, and legislation has been introduced which would accomplish that change. I urge members of that committee to give urgent consideration to those proposals for without that change, refugees are denied benefits and opportunities in a number of areas in our society, including membership in trade unions and the ability to attend public colleges and universities without the payment of out-of-State tuition fees. The actions of the Education and Labor Committee can only go so far in meeting the needs of the refugees. Much of the remaining solution rests with the Judiciary Committee.

In any event, I feel that this conference report is reasonable and I urge its adoption.

Mr. PERKINS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

Mrs. MINK. Mr. Speaker, I rise in support of the conference report to the Indochina Refugee Children Assistance Act of 1976. It is a very modest proposal, authorizing only $15 million for fiscal year 1977 in grants to States for the education of refugee children.

This legislation is greatly needed by those school districts which were unexpectedly faced with an additional influx of students as a result of the administration's policy to admit these people into this country. It is only reasonable that the Federal Government assume some financial responsibility in the cost of the education of refugee children.

The conference report in essence, continues the administration program for 1 more year. For the school year 1976–77, a school would receive $300 for each of its first 100 refugee children or the number of children equal to 1 percent of the district's total enrollment. For each refugee child above 100 refugee children, the school district would receive $600.

The conference report covers only a small fraction of the total cost involved in the education of these children. Many school districts are faced with tight budgetary restricts and their fiscal problems have been compounded by this unexpected influx of students. Though the conference report provides less than I had hoped for, it at least gives school districts some financial relief for another year. Our schools need at least 2 years of Federal assistance to give them a reasonable period within which to absorb the full cost of educating refugee children into their school budgets.

I am pleased that the conference report authorizes the use of funds under the Adult Education Act for programs for adult refugees. This authorization is necessary to permit the use of adult education funds to provide supportive serv-

ices and special projects to meet the unique needs of adult refugees in becoming productive members of society.

For these reasons, I urge my colleagues to join me in adopting the conference report.

STATEMENT OF HON. ROBERT McCLORY ON LAW ENFORCEMENT ASSISTANCE ACT

(Mr. McCLORY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous material.)

Mr. McCLORY. Mr. Speaker, the statement I am inserting in the RECORD relates to the Law Enforcement Assistance Act, which we will start debate on probably tomorrow. I hope the Members will take the occasion to read the remarks I am inserting in the RECORD at this point.

Mr. Speaker, my statement follows:

House report 94–1155, submitted by the Judiciary Committee in recommending favorable consideration of H.R. 13636, contains several statements which I believe require comment and clarification.

I recognize that the staffs of the Subcommittee on Crime and of the full committee were required to prepare the report within an extremely short period of time and doubtless attempted to present a comprehensive review of the testimony regarding the pending legislation. However, in several instances, statements are included in the report which, without further clarification, do not seem fully supported by the hearing record.

In making judgments regarding the success or failure of LEAA, we should be careful to measure the Agency according to the authority responsibility assigned to it by Congress. Has LEAA provided meaningful assistance to State and local governments and assisted in the improvement and strengthening of law enforcement and criminal justice? The testimony presented to the subcommittee overwhelmingly indicates that it has. I would refer skeptics to the testimony of the National Governors' Conference, the National League of Cities, U.S. Conference of Mayors, the National Association of Counties, the International Association of Chiefs of Police, and the American Correctional Association, among others.

A second point requiring clarification, Mr. Speaker, is the report's assertions—page 9—concerning the National Institute of Law Enforcement and Criminal Justice. Contrary to the impression reflected in the report, the National Institute has made significant contributions to criminal justice by tying together the products of its research with the funding policies of LEAA. The subcommittee was provided with information concerning 10 exemplary project profiles. Under the exemplary project program, the Institute provides detailed information regarding outstanding successful projects and distributes that information to localities across the Nation so that the project can be duplicated wherever there is a need.

In addition, the National Institute has developed prescriptive packages which synthesize the best available knowledge and operating experience in selected areas of criminal justice administration. Prescriptive packages cover such areas as police robbery control, managing criminal investigations, rape and its victims, multi-agency narcotics units and programs for special offenders in corrections institutions. According to information provided the subcommittee, 31 prescriptive packages have been developed by the Institute.

Mr. Speaker, a serious misstatement of fact in the report is the assertion on page 12 that "the committee resisted attempts to categorize the program." I wish that was true, but it is not. On the contrary, the committee has included two amendments in H.R. 13636 which would seriously erode the block grant funding concept. First, it established a separate category with authorized funding of $15 million for so-called community programs such as police neighborhood councils, clergymen in juvenile courts programs, and court watchers' programs. Then, to further categorize the program, the committee proposal would earmark one-third of all LEAA part C discretionary funds for court-related projects.

The wisdom of these categorizing amendments is questionable. But it is a fact that the committee failed to preserve the integrity of the block grant funding mechanism and is, instead, imposing congressional judgment over the priority-setting roles of State and local officials.

Another major error in the report, Mr. Speaker, is its statement that the committee found "no evidence that the program has helped to reduce crime or isolated specific programs that reveal why the crime rate increases and provide guidance on what to do to reduce it." The truth is that the hearing record is replete with evidence demonstrating specific instances of success in reducing crime in specific situations. The subcommittee received one document alone which contained more than 700 pages of project identifications describing activities which achieved measurable success in crime reduction, apprehension of criminals and criminal justice improvement.

It is one thing to state that LEAA has not produced a drop in the national crime rate, since it is unrealistic to believe that a relatively modest Federal grant-in-aid program could hope to achieve such a result. But it is seriously misleading to ignore the evidence which shows that LEAA-funded projects have succeeded in reducing crime in specific project situations. I might note, parenthetically, that LEAA's stated purpose has been to "carry out programs and projects to improve and strengthen law enforcement and criminal justice." Only this year did the committee add to LEAA's responsibility the "reduction and prevention of crime."

Finally, Mr. Speaker, I would like to comment on the report language concerning the length of authorization for LEAA.

It is indeed correct, as the report states, that—

Extending this program for one year gives notice to LEAA that it is on trial status.

It is equally true that a 1-year extension virtually sentences the program to failure. The committee bill has added significant new provisions to the LEAA program and established a range of complex requirements which must be met by LEAA and by State and local governments. At the same time, the committee proposes to restrict the program's flexibility to respond to criminal justice needs by categorizing the available funds. Meanwhile, the House, in response to a recommendation of the House Appropriations Committee, has cut the LEAA funds in fiscal year 1977.

In this instance, the committee proposes to give LEAA 1 year to prove itself while, at the same time, heaping on new responsibilities and tampering with the block grant process so that the chances of success are minimized. The fact is that LEAA will have less than the 1 year which the committee purports to allow. By May 15 of next year, the deadline imposed by the Budget Act, the committee must review LEAA's performance. How is that to be properly accomplished by a subcommittee which will not be constituted, most probably, until March?

Mr. Speaker, several additional deficiencies can be found in the report accompanying H.R. 13636 but it is not my intention here to offer a continuing critique on the entire document. I would urge my colleagues, however, to simply discuss the LEAA program with criminal justice professionals in their home districts and review the very positive testimony of State and local officials in support of the present LEAA program. I believe you will conclude that this Federal activity in support of State and local law enforcement and criminal justice deserves our encouragement and continuation—substantially intact and for not less than an additional 3 years which I will propose in an appropriate amendment at the proper time.

WE SHOULD EXPAND AND IMPROVE OUR NATIONAL PARKS AND WILDLIFE REFUGES

(Mr. SKUBITZ asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. SKUBITZ. Mr. Speaker, those of us who serve on the Parks and Recreation Subcommittee of this body are well aware of the rapidly increasing use of the national parks, and the expansion of the national park system that has taken place in recent years. These trends have meant deterioration of facilities needed for public use of our parks and a slow pace of construction and rehabilitation of facilities.

Personally, I welcome the announcement President Ford made yesterday at Yellowstone National Park. The President will ask Congress to approve a $1.5 billion expenditure over 10 years to expand and improve our national systems of parks and wildlife refuges.

I have just returned from a tour of Yellowstone and Grand Teton National Parks. I found that visitation in these two parks is far above last year's level. For example, I was told that visitation

in Grand Teton is up 40 percent from 1975.

Yet, the condition of the facilities and of the parks themselves cry out for funds to be used for development and maintenance. In Grand Teton, many of the campsites are covered with weeds. Parking at some of the most popular scenic areas is woefully inadequate. Employee housing in both parks is substandard and a reflection on this body. Roads in both Yellowstone and Grand Teton are inadequate. They are too narrow, and many miles need to be either resurfaced or resealed.

Yellowstone and Grand Teton are not unique in their deterioration. Last year I visited Yosemite, Grand Canyon, Bryce Canyon, and Zion Canyon.

If the President had visited Grand Canyon, he would have seen that all the campsites are taken by noon, that employees are living in temporary trailer houses or in rundown shacks, that parking is at a premium.

If he had visited Bryce Canyon, he would have seen sewer and water lines in need of repair or replacing, overflow campgrounds, and too few overnight cabins.

At Zion Canyon, he would have seen similarly inadequate sewage, water, and lodging facilities.

I do not think we can blame the tragic deterioration of our national parks simply on the dramatic increases in visitation. Rather, the fault lies with inadequate numbers of personnel and inadequate funding for maintenance of existing facilities and construction of new ones.

The President's proposal would add 1,500 personnel to the national parks and wildlife refuges which I heartily endorse. It would provide new spending authority for developing and upgrading the parks. The expenditures will have to be large. But, as the President noted:

> It is the soundest investment I can envision in the future of America.

This farsighted initiative on the part of the President deserves the wholehearted support of the Congress. For it will mean more parklands, wildlife sanctuaries and historic sites for the enjoyment of this generation of Americans. And it will mean the protection of these priceless resources.

THE FEDERAL BUDGET AND THE ECONOMY

The SPEAKER pro tempore (Mr. McFALL). Under a previous order of the House, the gentleman from Illinois (Mr. CRANE) is recognized for 30 minutes.

Mr. CRANE. Mr. Speaker, even though the economy has taken a turn for the better in recent months, what with inflation and the unemployment rate declining, the Nation's economic situation still leaves much to be desired. Just as wage and price controls temporarily made things seem better in 1972, so too is heavy deficit spending by the Federal Government making things seem better today. But are things really better or, as I suspect, is deficit spending simply camouflaging the real problem and putting off the day of reckoning?

While they differ drastically in content, both wage and price controls and deficit spending have the same basic effect. Each is inflationary because each increases the money supply relative to productivity. On the one hand, wage and price controls discourage productivity while the money supply stays constant or increases while, on the other hand, deficit spending increases the money supply without any corresponding increase in productivity. Either way, you have more money chasing relatively few goods which means higher prices and, if the trend continues, unemployment. People often forget that, as prices increase and purchasing power declines, demand for goods is forced down, productivity decreases and, as a consequence, jobs are lost.

Thus, we must view with tremendous alarm, not only the $109 billion worth of Federal budget deficits in the last 2 fiscal years but the $51 billion deficit projected by Congress for the current fiscal year. Coupled with the ever-growing specter of Government regulation, which has a chilling effect on productivity not unlike that produced by wage and price controls, these deficits have the potential for setting off another inflation-recession cycle. Moreover, they take from the private sector funds desperately needed for capital investment without which business can neither keep up to date nor expand. This, in turn, will have an adverse effect on productivity and employment in the future.

Perhaps these problems could have been avoided if we had speculated a little less about economic theory and learned a little more from past experience. America has become the most prosperous and powerful nation on Earth, not by government doing things for people but by people doing things for themselves. Americans built this country, its business and its industry, by the sweat of their brow. The marketplace, uncluttered by excessive governmental regulation, determined success or failure through consumer democracy. The law of supply and demand ruled and ruled well: efficient producers were rewarded and inefficient ones fell by the wayside. Without undue restrictions the lure of new markets, at home and abroad, gave the efficient producer the incentive to expand and become still more efficient. Then, with the emergence of interchangeable parts, the assembly line, and new technology, we became the world's foremost agricultural and industrial power. Of course, we were lucky to have an abundance of resources, but the key ingredient was freedom—economic and political.

The Great Depression and the experience of World War II changed things. America survived both to become the preeminent world power economically and militarily. But, at the same time, many Americans who lived through those traumatic years were determined that their children would not have to face the same experiences. The result was that economic security became a goal coequal to economic prosperity.

Since the free market, by definition, involves a certain amount of risk, postwar Americans in their search for economic security sought to minimize those risks by turning to the Federal Government for protection. Gradually, regulations and subsidies that were begun in the 1930's as a response to the depression were expanded to provide financial security under very different circumstances than existed during that era. Sooner, or later, the internal inconsistency of seeking economic security, which necessitates a growth of Federal controls, and economic prosperity, which involves just the opposite, was bound to catch up with us. Unfortunately, in the drive for security many Americans forgot that our Nation was built by people taking risks and doing things for themselves, not by government trying to protect them and do an ever increasing number of things for them.

The first signs of difficulty came about as a result of the rapid increase in Federal spending. From a level of $9 billion in fiscal year 1940, Federal spending increased to $106 billion in fiscal 1962, to $211 billion in fiscal 1971 and then to $365.6 billion in fiscal 1976. For fiscal 1977, the Congress has passed a target level of $413.3 and the final figure is likely to be higher than that.

Unfortunately, Federal revenues have not been able to keep pace with such spending. Since the end of World War II there have been only 7 budget surpluses, totaling $23.4 billion, compared to 22 budget deficits that add up to an astronomical $275 billion. As a consequence, the national debt has soared from $268.7 billion in 1946 to a level of $576.6 billion at the start of 1976. Also, as a consequence, the 115 percent rise in the national debt has been more than matched by a 206 percent rise in the cost of living over the same period.

Alarming as those figures are, the picture for 1977 and beyond is even more grim. The anticipated deficit for fiscal 1977, which started last January at $43 billion and had risen by May to $50.8 billion, is still rising. Such a figure is surpassed—at least for the moment—only by the World War II-produced deficit of $57.4 billion in 1943 and the $65.6-billion deficit in 1976. Worse yet, it is anticipated that, for the next few years at least, we will see budgets with similar deficits.

Not only do these huge deficits produce large jumps in both the national debt and the cost of living. But, as mentioned previously, they also have a negative impact on the availability of capital for investment. Last year, Secretary of the Treasury William Simon estimated that all governments—Federal, State, and local—would soak up 80 percent of the investment capital available just to cover their deficits. If that as to make was correct, it left only 20 percent for business and industry which, in turn, will lead to higher interest rates and insufficient funds to finance the expansion and modernization programs so essential to increased productivity, higher employment, and economic recovery. As it stands now, we are already facing a severe capital shortage. One prestigious estimate places it at $1.5 trillion over the next decade, and others put it as high as $3 to $4 million.

Of course, as I mentioned earlier, the

lack of capital is not the only barrier to increased productivity. The proliferation of Federal rules and regulations is another major obstacle which, like Federal spending, has grown alarmingly in recent years. In more prosperous times the free enterprise system was considered the consumers' best protection against shoddy goods; nowadays, Government has taken it upon itself to protect people not only from others but from themselves. A person cannot even start a car these days without being remind or, in the case of many older cars, forced to buckle one's seatbelt.

Of course, all these things cost money—which means higher prices. In addition, all the redtape and paperwork businesses must put up with in order to get a permit or a license costs millions of dollars that could have otherwise been spent for plant expansion or equipment acquisition. For instance, a recent study done by the Federal Commission on Paperwork revealed that the total cost of Federal paperwork comes to an astronomical $40 billion a year, $20 billion for industry, and $20 billion for the Federal Government to prepare the forms, send them out, review the results, and store the data. Moreover, many of the rules and regulations that are the cause of all this paperwork, put a damper on competition rather than encouraging it as frequently intended.

Perhaps the most obvious examples of Government overregulation are the Interstate Commerce Commission, the Federal Communications Commission, and the Civil Aeronautics Board. In their respective areas, each has preempted the free market system by helping determine who gets what piece of the business and how they shall run it. Moreover, both the ICC and the CAB engage in rate regulation that amounts to price fixing just as surely as if a single company had developed a monopoly over the truck, railroad or airline industry.

For example, not too long ago, if one bought an airline ticket in California to fly from Los Angeles to San Francisco, it would cost $20.75. Yet if the same ticket were purchased in New York, where it becomes subject to CAB control, the cost would be $41. Likewise, the fare from Phoenix to Tucson is $26 on an interstate carrier and only $23.09 on an intrastate carrier. Similarly, one can realize a $7 saving by flying an intrastate carrier from Dallas to Houston instead of an interstate one.

Rather than a truly competitive system, what has emerged is a system that shuts out new entrepreneurs and jeopardizes the survival of established businessmen in at least two ways. First, it denies them the right to do things as efficiently as they might and, second, it adds arbitrarily to their costs and thus to the costs of the consumer. To cite an example, one of the representatives from the auto industry testified in Washington last year that the cost of mandated safety features plus emission controls will add $1,200 to the cost of "economy" model cars by 1978. All of this, of course, simply fuels the fires of inflation and leads successively to reduced purchasing power, lowered demand for goods, cutbacks in production, unemployment, and, finally, recession.

Trying to beat inflation by increasing the benefits paid to people under various income support programs or by providing make-work jobs is ineffective because it aggravates the basic problem. Expenditures of this sort contribute to greater deficits; increased deficits mean more inflation; more inflation means more business failures and unemployment. Put them all together and you have a vicious circle that can only end in depression. Putting the prime emphasis on fighting recession instead of inflation is to fight symptoms instead of causes. The effort is doomed to failure and all Americans, including the recipients of increased benefits, are likely to come out losers in the long run. A more appropriate remedy would be to increase productivity while reducing the spending deficits that cause inflation.

As long as increased Federal spending is combined with expanded Governmental regulation of the economy, the ingredients are present for not just a recession but for a major economic disaster. Yet, instead of an all out effort to cut the budget, Congress, which has been controlled by the Democratic Party 40 of the last 44 years, has been leading the charge in favor of rolling up bigger budget deficits. When the previous administration tried to hold down spending, Congress did everything it could to thwart those efforts. Now, when the present administration vetoes big spending bills, Congress overrides a significant number of them. Beyond that, the enactment of an expanded public works program and the refusal to legislate a reasonable cut in the runaway food stamp program give further indication of congressional unwillingness to exercise fiscal responsibility.

The picture is scarcely brighter with regard to cutting back on Federal overregulation. Today, we have 12 departments and 75 agencies strangling business. Twenty of the agencies have been created since 1967 and, if that were not enough, Congress has before it a Consumer Protection Act which, if it takes the form of the bill killed several years ago, would create a consumer superagency with the power to drag other Federal regulatory agencies into court. For businessmen who are already at a loss when dealing with Federal regulatory agencies, the prospect of one agency's rulings being challenged by yet another agency is almost too much to contemplate. There is no way they can plan for the future if they are left in constant doubt as to what they can or cannot do and when they can or cannot do it. Of course, the ultimate loser will be the very consumer the Consumer Protection Agency is supposed to protect.

In July 1975, and then again in May 1976, I made specific proposals to cut the budget and to reduce, or eliminate altogether, those Federal regulatory agencies that help contribute to both inflation and recession. For fiscal 1976 it developed that the President's proposed $52 billion deficit could have been converted into a $900 million surplus by some prudent cuts in spending. And, in fiscal 1977, practically the same cuts plus implementation of Congressman JACK KEMP's tax reform bill designed to stimulate capital formation, would have resulted in a budget surplus of almost $42 billion instead of the $43 billion deficit the President projected.

There are many good arguments that can be made for a tax reform bill of this nature. On the surface, it would seem that a tax cut at this time would run counter to a policy of reducing the Federal deficit, but the proper type of tax cut will more than pay for itself in increased tax revenues generated by the economic recovery thus stimulated. This is what happened when taxes were cut in 1964 and the same thing could happen today. Certainly, it is better to give private enterprise a boost and let it create productive new jobs than it is to spend the same amount of money on unproductive make-work jobs, unemployment benefits or welfare.

Another reason a tax cut is a good idea is that taxes are too high already. The average American pays out approximately one-third of his income in the form of direct taxes to all levels of government and the percentage is rising all the time. In 1974, while food costs were rising 12 percent, housing costs 13 percent and fuel costs 14 percent, taxes rose 25 percent. If people are to have the money to spend on goods and if companies are to have the capital to produce those goods, then we need to turn the tax trend around so that more money is available to the private sector. There is little incentive to produce when so large a portion of one's earnings are going to the Government in the form of taxes.

Congressman KEMP's bill which I have enthusiastically cosponsored along with 120 other Members, would address these problems decisively. This legislation which would reduce taxes by at least $28.8 billion, not only would provide the needed stimulus for adequate capital formation but from a budget standpoint, is likely to result in a $5.2-billion increase rather than a $22.2-billion decrease in Federal revenue. Such a conclusion is supported not only by an econometric study done by the economic consulting firm of Norman B. Ture, Inc., but also by the aforementioned U.S. experience with tax cuts in 1964 and a similar Canadian experience in 1973 when that Government reduced its corporate tax rate from 49 to 40 percent.

Basically, what the Jobs Creation Act would do is: First, allow a $1,000 yearly exclusion for a couple—from gross income of qualified additional savings and investments; second, end the double taxation of common dividends; third, grant a $1,000 exclusion from capital gains for each capital transaction qualifying; fourth, grant an extension of time for payment of estate taxes where the estate consists largely of small business interests; fifth, increase to $200,000 the estate tax exemption for family farm operations; sixth, reduce the corporate tax rate 6 percent; seventh, permanently increase the investment tax credit by 15 percent; eighth, allow taxable year price adjustments and increase the life class variances for purposes of depreciation; ninth, permit a 1-year writeoff of nonproductive pollution control equipment; and tenth, pro-

vide for employee stockownership plan financing.

Instead of reducing tax revenue by $22.2 billion as the President's tax package is estimated to do, this proposal is expected to raise revenue by an estimate $5.2 billion over what would otherwise be anticipated. In other words, the Jobs Creation Act, according to some estimates, at least, would raise Government revenues from the $351.2 billion level the President has proposed to somewhere in the neighborhood of $378.6 billion, while simultaneously lowering taxes and costs to consumers.

Another method of tax reform, and one that would be fair to people in all income brackets, would be what is known as tax indexing. Tying such things as tax rates, standard deductions, personal exemptions, depreciation allowances, and interest rates paid by the U.S. Government to the cost of living would give the American taxpayer protection against higher taxes due solely to inflation. As it stands now, wage increases in response to inflation simply push people into higher tax brackets without adding to their purchasing power. As a consequence, an ever increasing share of their income is paid out in taxes.

According to Dr. William J. Fellner, former member of the President's Council of Economic Advisers, personal income tax payments in 1974 increased $8 billion, and corporate tax payments went up almost $20 billion, simply on the basis of inflation. However, if Congress were to pass the tax indexing bill which I introduced in 1974, the savings to the American taxpayer would come to some $17.6 billion.

Tax indexing has one other advantage. It takes away from the Government any inventive it might have to promote inflation, it is easy to see how such an incentive could develop within the Federal bureaucracy. Whether it has or not is another question but, by enacting a tax indexing bill, we would make the answer academic.

Obviously, there are other measures that could, or should, be considered within the context of unraveling the mess into which we have enmeshed ourselves. But, by coupling sensible tax reform with equally sensible cuts in spending and redtape, we could go a long way toward overcoming the effects of inflation and its handmaiden recession.

The cure for all our ills will not be easy to come by, but if we work on the premises that Federal spending must be cut, Federal regulations must be reduced, and tax cuts must be used to stimulate economic recovery rather than to redistribute income, we will make the greatest progress in the shortest time in dealing with our immediate dilemma. More importantly, we will reestablish the economic vigor and strength that once made the United States the envy of the world.

PRESIDENT FORD'S COMMITMENT FOR FUTURE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. DEVINE) is recognized for 10 minutes.

Mr. DEVINE. Mr. Speaker, President Ford has taken a significant step in assuring the future development and preservation of the vast recreation resources of our Nation. His Yellowstone proposals should have direct benefit for Americans of every State.

In my own State of Ohio the people may look forward with confidence to speedier acquisition and development of lands for the Cuyahoga Valley National Recreation Area. We may look forward to the completion of restoration of the William Howard Taft National Historic Site as a living memorial to one of our great citizens. We may look forward to the preservation of the Perry's Victory and International Peace Memorial, a striking symbol of the rise of the United States as a new nation and the cementing of firm bonds of friendship with our neighbors to the north.

Our President's plans will give us an opportunity to look seriously at the possibility of creating a Lake Erie National Lakeshore which will serve the recreational needs of many of the citizens from my district.

This effort can give us a chance to develop an orderly and systematic approach to the establishment of sorely needed parklands, wildlife refuges, and recreational facilities. In this Bicentennial Year we can know that the open space heritage of a nation will be preserved for all time. It is now up to us to join President Ford in his commitment for the future.

WAYS AND MEANS HEALTH AND OVERSIGHT SUBCOMMITTEES ANNOUNCE JOINT HEARINGS ON HOME HEALTH SERVICES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ROSTENKOWSKI) is recognized for 10 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, on Monday, September 13, beginning at 10 a.m. in the Ways and Means Committee hearing room, the Health and Oversight Subcommittees will hold the first in their series of hearings on home health services under the medicare program.

On June 25, the two subcommittees announced the beginning of a major study designed to obtain data that will enable the subcomittees to assess recent allegations about the provision of excessive or unnecessary services, the billing of excessive costs to the medicare program, and the existence of certain questionable competitive practices of some home health care providers. At that time, it was indicated that the study would accumulate essential data on the demand for home health services among medicare beneficaries, the impact of home health care on patient health and use of other types of health care services, and the effects of existing statutory and regulatory limitations on the provision of home health services under medicare.

It is the intent of this study to eliminate the present uncertainty about the nature and extent of abuses and to provide the data that will permit the Ways and Means Committee to more effectively evaluate legislative proposals for changes in and expansion of the present home health benefit.

The first hearing on September 13 will concentrate on the Social Security Administration's role in the development of reimbursement policy for home health services and in providing guidance to intermediaries and providers on interpretation of policy. The scheduled witnesses will be the Commissioner of Social Security, Mr. James B. Cardwell, and the Director of the Bureau of Health Insurance, Mr. Thomas M. Tierney.

The second hearing in this series is tentatively scheduled for September 28. The details will be announced at a later date.

The Oversight and Health Subcommittees are interested in receiving any comments, information and data relevant to the purposes of this study from interested organizations and individuals. Correspondence should be addressed to the Subcommittee on Oversight, Committee on Ways and Means, U.S. House of Representatives, 1102 Longworth House Office Building, Washington, D.C. 20515.

ON THE ANNIVERSARY OF THE BIRTHDAY OF SAINT ELIZABETH SETON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. DOMINICK V. DANIELS) is recognized for 5 minutes.

Mr. DONINICK V. DANIELS. Mr. Speaker, on August 28, the anniversary of the birthday of Saint Elizabeth Seton, celebrations were held around the country to commemorate the sainthood of this marvelous American.

Saint Elizabeth Seton was born in New York City on August 28, 1774. She was canonized and proclaimed a saint on September 14, 1975, at ceremonies in St. Peter's Basilica in Rome. During her life, Saint Elizabeth Seton was the founder of the first religious order for women in the United States and was also responsible for establishing the first Catholic parish school in the United States. The Sisters of Charity of St. Joseph of Emmitsburg, Md., remain as a lasting monument of the fine work of Saint Elizabeth Seton. Through her life and work, Saint Elizabeth Seton serves as an example to us all in our daily lives. Her great contributions to the religious and moral life of our Nation deserve continuous recognition. In this, the year of our Bicentennial, it seems fitting to honor such a woman. It was people such as Elizabeth Seton who built this country into something to be proud of.

I join with the people of our country in remembering the life and ideals of this fine American woman.

PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT AMENDMENTS OF 1976

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Montana (Mr. BAUCUS) is recognized for 10 minutes.

Mr. BAUCUS. Mr. Speaker, I rise to support H.R. 9398, the Public Works and

Economic Development Act Amendments of 1976. This legislation would extend the programs authorized by the Public Works and Economic Development Act for 3 additional years through September 30, 1979, at current authorization levels. Programs will be continued for public facility grants, energy projects, business loans, technical assistance, regional economic development commissions, and urban planning.

The maintenance of the national economy at a high level is vital to the best interests of our country. However, some regions, counties, and communities are suffering substantial and persistent unemployment that affects the well-being of many individuals and families, and wastes valuable human resources.

To overcome this problem the Federal Government, in cooperation with the States, needs an Economic Development Administration to plan and assist communities with their economic development. The Federal assistance, including grants for public works and development facilities to communities, industries, enterprises, and individuals in areas needing development, should enable such areas to help themselves achieve lasting improvement and enhance the domestic prosperity by the establishment of stable and diversified local economy and improved local conditions, provided that such assistance is preceded by and consistent with sound, long-range economic planning. This legislation authorizes money for the basic economic development program for our Nation.

This aid is certainly needed in my district—unemployment is at an alltime high with some areas reporting more than a 13-percent unemployment rate. The economy for the western district of Montana is sluggish with few if any new businesses starting. Many people have been unemployed for many months with little chance of finding a job.

There is one ray of hope though for these people. The Economic Development Agency has been working hard in my district to secure money for worthy public works projects. During the last 3 years, over 80 public works projects have been funded by EDA grants creating approximately 10,000 jobs and providing more than $11 million in revenues for the State.

Many Montanans notice the effects of EDA on their economy and quality of life. There is no doubt that my district would be in far more serious shape had EDA not come through to provide work for the unemployed. Not only do many people now have new jobs, but parks, recreational sites, street improvements among other numerous projects have been constructed, because of EDA grants. Technical assistance has been provided to many communities for economic development planning. Several loans have been given to businesses about to go bankrupt. Also, Montana is a member of the Western Interstate Higher Education Plan supported by an EDA grant which sponsors student interns to go into communities to help with economic planning. The program has proved beneficial to my district.

Some people say that this legislation authorizes funds for projects that are of no public benefit and only waste taxpayers' money. I think such views are misguided and reflect a misunderstanding of the operations and benefits of this program. EDA projects do a world of good for the people in my district. One town in particular, Anaconda, was in need of street and sewer line improvements. With some extra hard work, Anaconda secured a $500,000 grant from EDA to start improving these items. I understand that construction is underway, more than 50 jobs have been created, and as a side benefit, copper piping will be used to replace the corroded pipeline giving Anaconda a long lasting and durable sewer and water system for many years. This is but one of many examples I could describe to you of how EDA is helping my district.

In closing, I think reducing unemployment should be the Congress' No. 1 priority. Many people have differing views about how to do this, but I know for a fact that public works employment is a most beneficial and helpful program for my district. Western Montana's economy would be seriously harmed if this extension did not pass. We have a responsibility to maintain a healthy national economy and I think passage of this bill is a step in that direction.

AMENDMENTS TO THE ESTATE AND GIFT TAX BILL

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, at the appropriate point in the RECORD, I am printing two amendments which I may offer to the estate and gift tax bill, H.R. 14844. The precise amendment which will be offered will depend on the success or failure of other amendments being offered to the bill.

The first amendment will be offered if the Mikva-Fisher amendments relating to the split credit and generation skipping are accepted, The second amendment, which proposes a higher rate of tax, will be offered if the Mikva-Fisher amendments are not accepted. I am developing a third tax table to be offered in the event that the Burleson amendment is accepted.

The purpose of all of these amendments is to insure that there is no revenue loss to the Treasury as a result of the tax relief given to a relatively few, wealthy taxpayers because of the passage of H.R. 14844.

JUSTICE DEPARTMENT'S UNWISE AND HEAVY-HANDED POSITION AGAINST REALTY MULTI-LIST, INC.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. BRINKLEY) is recognized for 30 minutes.

Mr. BRINKLEY. Mr. Speaker, I feel it is my duty to call to the attention of this body and the American people what I consider to be an unwise and heavy-handed position taken by the Antitrust Division of the Department of Justice against Realty Multi-List, Inc., RML, a nonprofit service corporation located in Columbus, Ga.

For more than 17 months, my office has attempted to be a catalyst to the amicable resolution of this case, under the law, and with fairness to RML. This organization took a substantial number of good faith steps aimed at an out-of-court settlement which, in my judgment, should have resolved this matter.

The Department of Justice did not see fit to accept the substantive concessions made by RML and on August 23, 1976, for the second time in 5 years, sued this organization in local Federal district court.

I have been personally familiar with the background in this instance, and fail to see where the public interest is being served by this suit. At this point, I wish to include in the RECORD my correspondence with the Department of Justice, as well as a status of the complete history of this matter.

I trust that officials in the Justice Department will take note of the legitimate points raised herein, and finally will cease and desist in this ill-advised action.

The material follows:

WASHINGTON, D.C., *January 22, 1975.*

Hon. THOMAS E. KAUPER,
Assistant Attorney General, Antitrust Division, Department of Justice, Washington, D.C.

DEAR MR. KAUPER: I am in receipt of a scholarly, seven-page letter from the law firm of Kelly, Champion, Denney and Pease, of Columbus, Georgia, which represents Realty Multi-List, Inc., a non-profit corporation.

Since October 23, 1973 the threat of litigation has been projected against Realty Multi-List by the Antitrust Division of the Atlanta Office of the Justice Department.

Realty Multi-List has already had to withstand tremendous expense in litigation with the Justice Department with reference to admission of one applicant on charges of violation of the applicant's civil rights, and the evidence in that case was so overwhelmingly in favor of the reasonableness of the rejection that the Justice Department dismissed its appeal to the Fifth Circuit. I do not believe that Realty Multi-List should be compelled to continue in litigation.

Toward that end I met this weekend with officials of Realty Multi-List who pledge reasonableness and accord. They urgently inquire as to the good faith proposals made in October of 1974 to the Atlanta Office and the counter proposal made by the Atlanta Office.

Next, may I inquire as to the impact statement as it relates to the following statistics, and otherwise:

Year	Total sales in Muscogee County based on transfer tax	Total realty multilist sales	Percentage of total sales in Muscogee County, Ga.	Total and percentage of realty multilist sales made by nonmembers
1970	$60, 965, 300	$6, 715, 783	11	$227, 642—3. 38
1971	86, 795, 950	12, 101, 722	13. 94	575, 908—4. 75
1972	87, 605, 400	13, 821, 116	15. 77	1, 060, 566—7. 67
1973	85, 998, 000	19, 621, 039	22. 81	1, 687, 601—8. 60
1974	80, 180, 550	22, 427, 514	27. 97	1, 025, 108—4. 57

The percentage of total licensed brokers in Muscogee County, Georgia, in 1974 approximated 94, of which 26 active members were members of Realty Multi-List. This is approximately 26.75% of the total licensed brokers in Muscogee County, Georgia.

The total number of sales handled through Realty Multi-List members in the year 1970

were 456; in the year 1971—736; in the year 1972—654; in the year 1973—955; and in the year 1974—987.

It is our wish to be a catalyst to the amicable resolution of this case, under the law, and with fairness to Realty Multi-List.

Respectfully,

JACK BRINKLEY,
Member of Congress.

DEPARTMENT OF JUSTICE,
Washington, D.C., March 11, 1975.

Hon. JACK T. BRINKLEY,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN BRINKLEY: Thank you for your letter of January 22, 1975, in which you inquired about the status of our investigation of Realty Multi-List of Columbus, Georgia, and particularly the proposals made by Realty Multi-List to our Atlanta Office and the counter proposals made by our Atlanta Office to Realty Multi-List.

As you know, our investigation of the activities of Realty Multi-List is continuing. Since this investigation is continuing, no determination has been reached as to what, if any, further action might be appropriate. You can be assured, however, that we will give this matter prompt and careful consideration.

Sincerely yours,

THOMAS E. KAUPER,
Assistant Attorney General,
Antitrust Division.

WASHINGTON, D.C., *March 13, 1975.*

Hon. THOMAS E. KAUPER,
Assistant Attorney General, Antitrust Division, Department of Justice, Washington, D.C.

DEAR MR. KAUPER: While I appreciate your letter of March 11, 1975 with reference to Realty Multi-List of Columbus, Georgia in response to my letter of January 22, 1975, my inquiry related to whether or not the Justice Department is being litigious. I have no wish to involve myself on one side or the other in a legal proceeding. The question relates to the factuality of the statistics supplied and to the proposals made in October 1974. In a Democracy citizens must have the benefit of even-handedness and predictability from their government and all of its agencies. If fair and equitable, the amicable resolution of differences serves justice best.

Sincerely yours,

JACK BRINKLEY,
Member of Congress.

DEPARMENT OF JUSTICE,
Washington, D.C., May 21, 1976.

Hon. JACK BRINKLEY,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN BRINKLEY: This is in response to your letter of March 13, 1975, concerning Realty Multi-List of Columbus, Georgia.

The Atlanta Office of the Antitrust Division has been investigating the activities of Realty Multi-List and has recently forwarded its conclusions and recommendations to Washington for review. Pending the completion of this review, it would be inappropriate for me to comment on the merits of the case. If, after this review, the Antitrust Division concludes that the practices of Realty Multi-List violate the antitrust laws, we would institute suit. In the event that we should decide that a suit is appropriate, we would provide Realty Multi-List with the opportunity to negotiate a consent decree. This is the procedure which has been followed in other cases involving real estate boards.

As to the statistics supplied by your office, the staff reports that they have found them to be useful. However, the manner in which the sales of real estate are classified by the State of Georgia is overinclusive and tends to underemphasize the importance of Realty Multi-List in the sale of residential property in the Columbus area.

Sincerely yours,

THOMAS E. KAUPER,
Assistant Attorney General,
Antitrust Division.

WASHINGTON, D.C., *May 22, 1975.*

Hon. THOMAS E. KAUPER,
Assistant Attorney General, Antitrust Division, Department of Justice, Washington, D.C.

DEAR MR. KAUPER: I appreciate your letter of May 21, 1975, relating to Realty Multi-List of Columbus, Georgia. Of course, it would be inappropriate for you to comment on the merits of the case, or otherwise once the case is in the bosom of the court. But I have difficulty in understanding your position outlined which is that of negotiation following suit, if suit is initiated, rather than prior to suit. This is contrary to the conference in the Atlanta Office.

Sincerely,

JACK BRINKLEY,
Member of Congress.

JUNE 26, 1975.

Hon. JACK T. BRINKLEY,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN BRINKLEY: We have received your letter of May 22, 1975.

After reviewing the recommendations of our Atlanta Office, we have concluded that certain practices of Realty Multi-List of Columbus, Georgia violate Section 1 of the Sherman Act.

Our Atlanta Office has been authorized to conduct prefiling negotiations with Realty Multi-List. If a consent judgment in the public interest is negotiated within a reasonable period, the proposed consent judgment and complaint will be filed at the same time. If the parties are unable to agree on a suitable judgment within this period, the Antitrust Division will file the complaint and prepare for trial. After the filing of the complaint, the Antitrust Division will, of course, remain open to further offers of settlement by Realty Multi-List.

Sincerely yours,

THOMAS E. KAUPER,
Assistant Attorney General,
Antitrust Division.

(Case: Realty Multi-List)

NOVEMBER 6, 1975.

Mr. ROY L. FERREE,
Antitrust Division,
U.S. Department of Justice,
Atlanta, Ga.

DEAR MR. FERREE: As the within correspondence from Mr. Forrest L. Champion, Jr. indicates, his client, Realty Multi-List, Inc., of Columbus, Georgia, has voluntarily taken a number of steps aimed at an out-of-court settlement of Justice Department action against it.

It is my strong belief that this five-point agreement represents the most absolute good faith on the part of Mr. Champion's client, and that said action would make unnecessary any contemplated litigation.

It is my further belief that by effecting such voluntary compliance, Realty Multi-List has done its part to assure an amicable resolution of this matter. As I interpret the law, the Justice Department's primary interest also is to resolve such matters through this means without litigation except as a truly final resort.

Sincerely,

JACK BRINKLEY,
Member of Congress.

U.S. DEPARTMENT OF JUTICE, ANTITRUST DIVISION,
Atlanta, Ga., November 4, 1975.

Please refer to: 60-223-51.

Hon. JACK T. BRINKLEY,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN BRINKLEY: Receipt of your letter of November 6, 1975 regarding Realty Multi-List, Inc. of Columbus, Georgia is acknowledged. A copy of your letter has been forwarded to the Division's Office of Operations for consideration.

Sincerely yours,

THOMAS E. KAUPER,
Assistant Attorney General,
Antitrust Division.
By: JOHN R. FITZPATRICK,
Attorney, Atlanta Office.

JANUARY 5, 1976.

Hon. JACK T. BRINKLEY,
House of Representatives
Washington, D.C.

DEAR CONGRESSMAN BRINKLEY: This is in response to your letter of November 6, 1975, to Mr. Ferree of our Atlanta Office, which was forwarded to Washington for reply.

Realty Multi-List has been under investigation by the Antitrust Division. Based on this investigation and the recommendations of the staff, the Antitrust Division concluded that certain practices of Realty Multi-List violated the law, and that the Division should file suit. Having made this determination, we offered Realty Multi-List the opportunity to engage in pre-filing negotiations, during which the government and the prospective defendant arrive at a consent judgment enjoining the practices in the future and which is filed at the same time as the civil complaint. Many defendants have regarded this as a desirable procedure because it generally avoids the necessity and costs of litigation and minimizes adverse publicity connected with the filing of suit.

We cannot agree with Mr. Champion's proposal that, having found his client to be in violation of the antitrust laws, we should allow voluntary compliance to substitute for a binding court order. Without doubting their sincerity and present intentions, we and they cannot guarantee their future intentions or those of their successors. Without a court order binding them and their successors, the public would go unprotected against any future violations. For this reason, we do not regard as a last resort the filing of a case and the entering of a consent judgment enjoining future violations, but rather think of these as necessary steps inherent in enforcing the antitrust laws.

Sincerely yours,

THOMAS E. KAUPER,
Assistant Attorney General,
Antitrust Division.

RML CHARGES JUSTICE DEPARTMENT WITH BUREAUCRATIC HARASSMENT AND SPITE SUIT—JUSTICE DEPARTMENT CONTINUES TO HARASS RML—RML MUST WIN AGAIN

Realty Multi-List, Inc. (RML), a local private non-profit service organization, was sued the second time in five years on August 23, 1976, in the local Federal District Court by the Justice Department.

RML is composed of 45 active, full time real estate Brokers with approximately 382 real estate sales associates. The members constitute the vast majority of all active full time residential real estate Brokers with offices in Muscogee County, Georgia. Its basic purpose is to pool information as to available residential real estate for purchase. It affords the owner-seller maximum exposure to the public, with one listing Broker and one sign, and thereby effects a more prompt and orderly disposition of his home. It provides newcomers and purchasers with a quick

résumé of virtually all residential real estate available for purchase in Muscogee County, Georgia. The concept of multiple listing services has proved to be of great value to the public as witnessed by its widespread use throughout the country.

RML was organized in 1967 by eight local real estate Brokers and has grown to its present membership. Its income is derived solely from its members, and its assets are devoted solely to the distribution of the listing information to its members. From its birth, members have been expressly free to deal with non-members. Prior to the organization of RML, more than one attempt had been made to provide Muscogee County with this proven service. These attempts failed because of unwillingness of Brokers to share all listings, and there existed no machinery to enforce the requirement of sharing the listing with fellow Brokers.

The latest suit filed by the Justice Department against RML charges it with conspiring with its members to unreasonably restrain trade and commerce in violation of Section I of the Sherman Anti-Trust Act. It asks the court to grant an injunction against alleged continued violation. RML promptly moved to dismiss the complaint on the ground that no factual basis exists for an injunction against it. It charged the Justice Department with smarting from losing its prior suit against RML, and with malicious bureaucratic harassment. The Justice Department had sued RML in 1971, charging it with violation of the Civil Rights laws. After an extensive trial and defense, at considerable expense to RML, Honorable J. Robert Elliott, Judge, U.S. District Court Middle District of Georgia, Columbus Division rendered a judgment finding no such violation by RML. The Justice Department filed a notice of appeal to the United States Circuit Court of Appeals for the Fifth Circuit but then dismissed the appeal before filing briefs in April, 1972. RML has today charged the Justice Department with maliciously using public monies and the courts to persecute and harass RML because it lost its prior suit against RML.

In October, 1973, eighteen months after dismissal of the appeal in the prior suit, the Justice Department advised RML that it was being investigated on charges of possible violation of the Sherman Anti-Trust Act in its charge for a membership share of stock, and its By-law requirement that a new member receive an affirmative vote of the existing members. It demanded a mass of information which RML collected and furnished the Justice Department in a conference with its attorneys in January, 1974. At this conference, RML advised the Justice Department that it did not consider its charge for a membership share of stock (which several of its more recent members had paid) unreasonable in the light of the company's underlying assets, and the assembled listings, which had been built up over the years, at the expense of the members. It was then admitted by the attorneys for the Justice Department that the underlying assets, including the book of listings, had value. RML further stated that its voting admission requirement was a reasonable one and had been necessary to maintain a cohesive organization of members who would adhere to its by-laws.

However, RML advised that it desired to be reasonable as to both points, and that it was not financially able to continue to litigate with the Department of Justice, and desired to settle the matter in all events without going to court. The Justice Department Attorneys then agreed that the voting requirement did not, on its face, violate the law, and if it was reasonable under circumstances, it did not violate the Anti-Trust Law. They also agreed that if the charge for the share of stock was reasonable, it did not violate the Anti-Trust Law. It was then indicated to RML's representatives that the Justice Department would study the matter and advise RML of its position with reference to the two matters before instituting suit. At a brief conference in late summer 1974, the Justice Department Attorneys suggested that a majority vote requirement for membership might be reasonable.

In October, 1974, the Justice Department requested RML to furnish an update of the information previously furnished. RML collected the data and delivered same to the Justice Department at a conference in Atlanta in January, 1975. At this conference, the Justice Department Attorneys for the first time took the position that any voting admission requirement, on its face, violated the Sherman Anti-Trust Act. It still took no position and did not advise what it considered to be a reasonable charge for a membership share of RML's stock.

Following this conference, and in an effort to avoid litigation, the members of RML, in April, 1975, voluntarily reduced its voting admission requirements to a simple majority vote, and reduced the charge for a member's share of stock, based on its estimate of the fair value of its underlying assets divided by the number of shares outstanding, and promptly advised the Justice Department Attorneys of their action.

No further word was received by RML from the Justice Department until August 1, 1975, when the Justice Department Attorneys advised RML that suit had been authorized against it by the Justice Department, and that the only way the matter could be settled was for RML to stipulate to the entry of a consent injunction. All this despite the fact that RML had never been advised of what the Justice Department considered to be a fair price for a membership share of stock, and also that RML had never before been advised that the matter could not be resolved without a consent decree.

The first draft of the consent decree submitted in August 1975, would have required RML to admit any Broker licensed by the State of Georgia (making available to him entry into approximately 900 local homes), irrespective of whether maintaining an office or actively doing business in Muscogee County, and irrespective of his credit rating or favorable reputation or financial responsibility. It also would have required RML to charge no more for its share of stock and monthly fees or dues than the amounts approximately related to the costs of operating RML, without regard to reasonable reserves for maintaining or improving it as a going concern, or the fair value of its underlying assets. While attempting to restrict RML's income to operate, the Justice Department continued to impose upon RML substantial legal expense. The proposed decree also would have enjoined RML from preventing any member from belonging to another listing service (although no other listing service then existed in Muscogee County), from restricting any member from advertising any type of real property (RML at the time restricted its members from advertising only open listings), and from restricting the members from engaging in cooperative sales or dealing with non-members (although RML never had any such restriction).

RML then requested a hearing in Washington, D.C., to attempt settlement without the necessity of filing suit and a consent injunction. A hearing was arranged on October 15, 1975, before the Director of Operations of the Anti-Trust Division of the Justice Department, who refused to consider any possible resolution of the matter without a consent injunction, even though at the time, no hint had been given by the Justice Department to RML as to what it considered to be a reasonable charge for the share of stock to new members. Suit had been authorized and was insisted on by the Justice Department before it ever made any investigation as to what was a fair charge for the new member's share of stock, and before RML was advised what the Justice Department's position in this respect was.

Following the hearing in Washington, D.C., and without specific guidelines from the Justice Department, the members of RML, on October 29, 1975, voluntarily:

(1) Partially liquidated its cash reserves and reduced its charge for the members share of stock to ⅓ of what its prior maximum had been.

(2) Abolished its majority vote admission requirement.

(3) Changed its Bylaws to provide for the admission of any licensed Broker who was and had been actively engaged in the real estate business in Muscogee County, Georgia, for six months before application for membership, who had a sound credit rating, and favorable business reputation, and who agreed to subscribe to and abide by its By-laws, Rules & Regulations, and Code of Ethics, and who subscribed to and paid for a share of stock in RML.

(4) Abolished any restriction on advertising of open listings by members and abolished the restriction against belonging to another listing service, and so advised the Justice Department.

The Justice Department then submitted a second draft of a proposed consent decree in which it sought to enjoin RML from charging more than "a nominal initiation fee" for the membership share of stock (which it intimated to be in the range of $200.00), and from charging any fees, dues or recurring charges not approximately related to the costs of operating RML. The word "nominal" is defined to be unrelated to reality. The second draft continued to enjoin RML from (a) establishing a time period within which no new members would be admitted (which RML had not had since 10/18/73), (b) from preventing any member from belonging to another listing service, (c) from restricting a member's advertising, and (d) from restricting any member from engaging in cooperative sales (none of which restrictions RML then had).

When the Justice Department submitted its second draft of the consent decree, it also forwarded two consent decrees entered in other cases and represented in these cases that charges of $1,000.00 for shares of stock were attacked. These two decrees enjoined the two listing services involved from charging amounts for membership shares of stock and monthly fees not approximately related to the costs of operating, maintaining and improving the listing service as a going concern, including the establishment of reasonable reserves for such purposes. RML then investigated the Justice Department statement that charges of $1,000.00 for the member's share of stock in these two cases were attacked, and found the statement to be simply incorrect. RML then refused to accede to the Justice Department demand that RML be enjoined from charging both initiation fees for the membership share of stock, and monthly recurring charges more restrictive than contained in the other two consent decrees forwarded, and insisted on being fed out of the same spoon, so to speak.

When RML refused to agree to the second draft of the proposed consent decree, the Justice Department came off its demand that only a nominal amount be charged for the members share of stock, and the monthly recurring charges be limited to the approximate cost of operating defendant, and agreed to the substitution of charges for stock and monthly charges being limited to costs of operating, maintaining and improving RML as a going concern, including the establishment of reasonable reserves for such purposes. RML reluctantly then agreed to abolishing its requirement that an applicant must have been actively engaged in the practice of the real estate profession six months before filing his application.

At a rush called meeting of RML's shareholders December 22, 1975, called at the instance of Justice Department pressure, the shareholders of RML directed its attorney to sign a stipulation for the consent decree, drafted and authorized by the Attorneys for the Justice Department. The consent decree was forwarded to the Justice Department on December 22, 1975, and was tendered on the sole condition that the word "conspiracy" be stricken from the complaint. This condition was later approved by the Justice Department, (but as later pointed out herein, the Justice Department sought materially to change its own consent decree).

The authorized consent decree would have enjoined RML from (a) placing a moratorium on applications for membership (which it has not had since 10/18/73), (b) from restricting a member's advertising (which applied only to open listings and had been abolished on 10/29/75), (c) from prohibiting its members from belonging to another listing service in Muscogee County (which no longer existed, having also been abolished 10/29/75), but which was reasonably necessary when there were two competitive listing services in Muscogee County, Georgia, and (d) from restricting any member from dealing with nonmembers or engaging in cooperative sales (which RML never had sought to regulate), and its Bylaws expressly provided that its members may freely deal with nonmembers.

The matter was then put to sleep by the Justice Department until June 11, 1976, when the Attorney for the Justice Department advised that it desired to strike the provision of the consent decree (which it drafted and submitted to RML and which RML had agreed to), requiring an applicant for admission to maintain an office in Muscogee County, Georgia, in accordance with zoning regulations, and be kept open during normal business hours. In this respect, the Justice Department had previously agreed with the National Association of Realtors that such a provision did not violate the Anti-Trust Law.

The shareholders of RML in utter dismay advised the Justice Department that it was willing to proceed on the basis of the stipulated consent decree previously forwarded to it on December 22, 1975, but declined to approve the Justice Department demand that the decree be changed. One court decision had upheld the right of a multiple listing service to require a member to maintain an active office in the County wherein the listing service operated.

RML filed its response to the complaint and charged the Department of Justice with acting in bad faith in its dealings with RML, with being stubbornly litigious and with causing the defendant unnecessary trouble and expense, and with maliciously using the process of the court against RML without reasonable grounds or probable cause, consisting in part:

(a) In January, 1974, admitting that the existing book of listings had value, and that the voting requirement was not on its face violative of the Sherman Anti-Trust Act.

(b) In advising RML in January, 1974, that it would investigate the matter and would advise it of its position with respect to each of the two matters, which it failed and refused to do.

(c) In suggesting a majority vote admission requirement in August, 1974, and then in January, 1975, taking the position for the first time that any voting requirement violated the Anti-Trust Laws.

(d) In advising RML in August, 1975 that the Justice Department had decided to file suit against it without having advised RML what it considered to be a fair price for a membership share of stock.

(e) In allowing RML to go through the expense of a hearing before another attorney for the Justice Department in Washington, without advising RML of its unpublished procedure that the only way to resolve a charge of Anti-Trust violation was by a consent decree, enjoining the defendant as provided by the consent decree.

(f) In falsely misrepresenting to RML that in two other consent decree cases against multiple listing service defendants, the Justice Department had attacked a $1,000.00 charge for a membership share of stock, which upon investigation RML found to be untrue and as a result of which the Justice Department came off its demand that the initiation fee be nominal.

(g) In filing this subject suit against RML, as twice stated by its attorneys, so as to accomplish the announced purpose of making an example out of RML, when RML had sought to comply with the vague suggestions of the attorneys for the Justice Department to avoid litigation.

(h) In procuring a stipulation for a consent decree drafted by the Justice Department from RML, and then seeking finally to alter it without reasonable cause.

RML contends that the Justice Department is discriminating against RML in filing this suit. It had previously agreed with the National Association of Realtors that certain specific requirements for admission to a listing service did not violate the Sherman Anti-Trust Act. RML incorporated these admission requirements into its bylaws. Yet the Justice Department picks out RML to sue to satisfy its stated objective to "make an example out of RML".

The insistence of the Justice Department in seeking an injunction against RML for doing things which it is not doing, is not in the public interest, constitutes another gross misuse of public tax monies, a crowding of an already overcrowded court docket, and is causing RML to spend substantial assets against unfair strong arm tactics of its government. The effect of all of this is to make the public suffer because RML is less able to furnish the public service for which it was organized and which it has consistently sought to furnish the citizens of Muscogee County, Georgia.

PUTTING AUTOMOBILE EMISSION CONTROLS IN CONTEXT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. BROWN) is recognized for 5 minutes.

Mr. BROWN of California. Mr. Speaker, in the next few days we will be voting on various proposals to delay implementing existing automobile emission control standards. The issue has already been hotly debated, and the battle lines have been fairly clearly drawn. The debate appears to have boiled down to how much delay can the auto lobbyists gain, versus how much commitment to clean air will the Congress demonstrate. Other issues have been raised, but as is shown in my Extension of Remarks for today, these other issues are not substantive. This is especially true for the arguments raised about fuel economy and auto emissions.

At this time I wish to insert, for the RECORD, a "Dear Colleague" letter that I sent out today, and further urge my colleagues to review my Extensions of Remarks on this subject.

The letter follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., August 30, 1976.

AUTO EMISSIONS IN CONTEXT

DEAR COLLEAGUE: This letter is an attempt to put the various proposals for automobile emission standards in context. As Chairman of the Environment and Atmosphere Subcommittee of the Committee on Science and Technology I have followed automotive pollution issues quite closely. As the debate over auto emission standards has developed, I know that the charges and countercharges have grown more confusing.

Basically, the Committee bill represents a position in between that of Congressmen Dingell and Broyhill and that of Congressmen Waxman and Maguire. While the Committee bill is in the middle-ground on auto emissions politically, the issue itself, the date for attainment of certain regulated pollutants, is not as simply described.

The existing law, which was enacted in 1970, required the auto industry to gradually, but continually reduce automobile emissions until certain emission standards, needed to achieve ambient air quality standards, were met in 1976. In 1974, primarily as a result of the energy crisis, the Congress decided to give the auto industry until 1977 to meet these final standards, unless the EPA Administrator decided an additional year was needed. The EPA Administrator was to make his decision early in 1975. Obviously the auto industry asked for another years' delay.

In March 1975 the EPA Administrator granted an additional year's delay, to quote from the EPA, "solely because of his concern as to the adverse health impact which might result from the higher levels of sulfuric acid emissions expected to accompany design chanegs made to reduce the other pollutant emissions." In April 1976, after prodding by my Subcommittee and others, the EPA concluded that they drastically overestimated the sulfuric acid emission problem in 1975, and no longer expected to regulate this pollutant. It is quite significant that the sole reason used for postponing the attainment of auto emission standard from 1977 to 1978 is no longer valid. This history brings us to the amendments before us.

For two pollutants, HC and CO, the Waxman-Maguire amendment is the same as the original subcommittee bill, which required a partial attainment of the 1978 standar in 1978, but did not fully meet the 1978 standard until 1980. Thus, the Waxman-Maguire amendment postpones the attainment of auto emission standards two years beyond existing law. The Committee bill maintains the present 1975 standards, until 1980, without any improvement in 1978 or 1979. The Dingell-Broyhill amendment, postpones the date of attainment until 1982, or four years beyond existing law. For the third regulated pollutant, NO_x, the Waxman-Maguire amendment and the Committee bill allow for postponement from the 1978 standard until as late as 1985. The Dingell-Broyhill amendment, in sharp contrast to all other proposals, contains no date for the control of nitrogen oxides (NO_x). This may mean a permanent freeze in NO_x controls.

As can be seen from the information above, none of the proposals are as stringent as existing law. All of the proposals give the auto industry more time for meeting auto emission standards. The standards which are delayed by all proposals are already being met in California, which is 10% of the auto market. Even the proposed 1980 standards in the Waxman-Maguire amendment have been met by a prominent automobile manufacturer.

In view of the information presented to me in my investigations of this matter, I can see little, if any justification for amending the existing law as drastically as any of the automobile emission proposals. While the Waxman-Maguire amendment, which is in reality the compromise proposal of the Subcommittee on Health and the Environment, is preferable to all other proposals, even this delay is not really justified. Technology which is effective at controlling pollutants, and economical to install, is now available. The auto industry, which is meeting stricter standards for 10% of its market and is currently en-

joying record profits, can and should clean up their engines before 1980.

The Congress must now decide if its commitment to firm deadlines for clean air is still strong.

Sincerely,

GEORGE E. BROWN, JR.,
Member of Congress.

PERSONAL EXPLANATION

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I was unable to be present in the House of Representatives on rollcall 667, the vote on the Mikva amendment to H.R. 8911, the Supplemental Security Income Amendments of 1976. Had I been present I would have voted "aye."

HEW FOOT-DRAGGING?

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, on June 23 and August 10, I placed statements in the RECORD describing my unsuccessful efforts to obtain from HEW a valid analysis of the comparative quality of care provided by the various types of nursing home and home health care modalities. Those who have followed this issue know that my inquiries are not new; that, indeed, my questions and HEW's delays on this subject have been matters of discussion for well over a year.

In my most recent correspondence with HEW Secretary David Mathews, dated August 3, I was pleased to hear that HEW has finally made a commitment to complete such a study. I was most distressed to learn, however, that this study would not be ready until sometime in 1978.

On August 16, I sent letters to numerous individuals and organizations knowledgeable in the area of nursing and home health care. My purpose in sending these letters was to get opinions from those outside the bureaucratic structure of HEW on the question of whether HEW in fact needs 2 more years to complete this study and whether the information HEW and the Congress needs might be available much sooner.

The appended responses to my letter indicate that HEW may already have this information in its possession but that it has not been adequately analyzed. If this is the case, the responses also indicate that it should take HEW only about a year to compile the necessary study.

A year and a half after my initial correspondence with HEW on this matter, I am, understandably I hope, concerned with what may be foot dragging on the part of HEW.

The letters I have received follow:

CENTER FOR POLICY RESEARCH, INC.,
New York, N.Y., August 19, 1976.

Hon. EDWARD I. KOCH,
U.S. House of Representatives, Longworth Office Building, Washington, D.C.

DEAR CONGRESSMAN KOCH: In reference to your letter of August 16th, there can be no question that HEW data now contain relevant information about the difference in quality of care provided by non-profit vs. proprietary nursing homes. True, the data are incomplete; but so will they be in 1978. Data are always stronger or weaker. If HEW wishes, all they need to do is to release the data they have and indicate their limitations by the various standard procedures available for this purpose.

Second, I have it on good authority that HEW's reluctance stems from the fact that the data are unfavorable to the proprietaries some of the officials involved favor on philosophical and other grounds.

This is not to suggest that the data are not weak. But much weaker data are routinely released by HEW, and other federal agencies.

I congratulate you for pursuing this matter.

Sincerely,

AMITAI ETZIONI,
Director.

THE ASSEMBLY,
STATE OF NEW YORK,
Albany, N.Y., August 26, 1976.

Hon. EDWARD I. KOCH,
U.S. House of Representatives, Longworth Office Building, Washington, D.C.

DEAR CONGRESSMAN KOCH: I have your letter of August 16th regarding the length of time HEW said that it requires to complete an evaluation on the comparative quality of care provided by non-profit and proprietary nursing homes and agencies.

I would venture to say that this information is readily available now. However, it seems to me that it takes agencies at least a year to put the information together in a report.

If I can be of further help to you, please do not hesitate to call upon me.

Kind regards.

Sincerely,

HERBERT J. MILLER,
Member of Assembly.

COALITION FOR HEALTH FUNDING,
Washington, D.C., August 23, 1976.

Hon. EDWARD I. KOCH,
U.S. House of Representatives,, Longworth Office Building, Washington, D.C.

DEAR MR. KOCH: Thank you for your letter of August 16, 1976 regarding the comparative quality of care provided by non-profit and proprietary nursing homes and home health agencies.

Since I am not familiar with the HEW survey I do not know whether or not data is available to adequately measure the quality of care. I agree, however, that the data that is available could be furnished you and the public prior to 1978.

With best wishes, I am

Sincerely,

ROBERT W. BARCLAY,
President.

COMMUNITY RESEARCH APPLICATIONS, INC.
New York, N.Y., August 25, 1976.

Congressman EDWARD KOCH,
Longworth Office Building,
Washington, D.C.

DEAR CONGRESSMAN KOCH: This letter is in response to yours of August 16, in which you asked for my reviews regarding the time required for HEW to prepare reports requested by you. As a preamble to my response, I would caution that I am currently on vacation, with the result that (a) I do not have all of the "facts and figures" before me, and (b) you will receive this letter "as dictated," so that the sequence may be somewhat jumbled.

First, let me say that I empathize with your efforts and your frustration. Over the years, I have found it nigh-on impossible to obtain information when requested. In responding to your letter, I think that it might be helpful to differentiate between nursing home care, and home health care, as there have been specific efforts addressed to each, as you know.

Dealing first with nursing homes, several thoughts come to mind. First, the "long-term care facility improvement study" involved, as I recall, only slightly less than 90% of all facilities participating in Medicare and/or Medicaid programs. Among those institutions included in the sample, approximately three-quarters were proprietary, and 10% voluntary, non-profit. While at first glance it would seem that this sample, which included a numeric total of over 6500 different facilities, would be sufficient for some analyses of the type you suggest. However, I do remember that, in the report, mention was made of the probable sampling insufficiency associated with the "non-profit" homes, and am not clear as to the specific sampling procedures used. Therefore, it may well be that the non-profit facilities included in the study are *not* representative of the universe of such facilities and that, therefore, valid generalization cannot, and should not, be made.

The question of adequate base for generalization becomes more acute, when one recognizes the highly complex interrelationships which exist among quality of care, characteristics of patients, cost of care, and profit/non-profit status. For example, our work suggests that the rates in non-profit institutions are often greater than those among the proprietaries; however, this differential might be accounted for by the fact that the non-profit institutions appear to provide more intensive service, for a more disabled population. I would hasten to add, however, that this is pure speculation, perhaps influenced by my bias in favor of the non-proprietaries. However, in the absence of any definitive knowledge as to the representativesness of the non-proprietary sample, I would share the feeling of HEW that great circumspection should be used in any attempt to generalize from these data. Thus, while I don't see why there should be any problem in analyzing the data along the lines you suggest, I think that the outcome might well be questionable.

As regards the timeframe of the current study, i.e., results no earlier than 1978, my feeling is that the design and implementation of the study as comprehensive as that being currently undertaken could well require the time period represented. Thus, while I feel that it is indeed regrettable that such data are not currently available, I can well understand the reluctance of HEW officials to provide any attenuated time estimates, or interim data.

Still addressing the topic of nursing homes, I would point out to you that there is an additional potential source of information as regards quality of care, namely, the Nursing Home Ombudsman Program, which was transferred from the Health Services and Mental Health Administration to the Administration on Aging in 1973. AoA funded a number of states, I believe 43 in all, for the operation of a Nursing Home Ombudsman program in July of 1975. Hopefully, there would be some data available from the state programs, which reflect upon the nature and quality of care provided, or not provided, at the state level. This might warrant your review. If such data are not currently available, there is little doubt in my mind but that congressional "stimulation" could be highly productive in this regard.

Turning to the question of home health services, somewhat the same observations are relevant. That is, the data collected thus far have been both rudimentary and fragmentary; the current study of home health service being undertaken by HEW should provide definitive materials; however, I am certain that they will not be available for some time.

In the interim, there have been some isolated attempts to quantify the home health care experience. For example, the Worcester, Massachusetts home care program, operating under a Section 1115 Medicaid waiver, provided comprehensive services to an at-risk elderly population. Community Research Applications was responsible for the service monitoring and cost analysis of this demonstration program—I must admit that the results were anything but conclusive, for a variety of program-related reasons. Another home health services program being conducted currently is that conducted in the State of Wisconsin (I believe), again under Medicaid waiver, with additional support provided by the Kellog Foundation. I am not acquainted with any of their reports, but recall that this is a comprehensive program, which might provide you with some specific relevant information.

In summary, I share with you a feeling of frustration as regards the current availability of vital program planning and management information. I feel that it is little short of reprehensible that such data have not been already collected, and made available. At the same time, while recognizing the absurdity of the situation, I must concur with the HEW representatives with whom you have been in contact in feeling that (a) a "sound" study cannot be mounted and completed in much less than 2 years, and (b) that it would probably be counter-productive to attempt any major acceleration of the process. On the other hand, at the personal level, I would hope that you could continue to act as a "gadfly," so that the study is not allowed to drag on interminably, as such efforts often have a way of doing. In the meantime, I hope that some of the other data sources I mentioned may be of some assistance to you.

Thank you for having given me the opportunity to unload some of my feelings about the current state of data collection. I am sorry that I could not honestly provide a more positive response to the central question raised in your letter. However, do, please, continue to ask these very pointed questions.

Sincerely,

DOUGLAS HOLMES, Ph. D.,
President.

ON THE CIVIC RIGHTS OF MUNICIPAL AND STATE EMPLOYEES

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I should like to bring to the attention of our colleagues a situation which recently existed in the City of New York and which may still exist elsewhere in the country.

One of my constituents came to see me in July and advised me that she was an employee of the city of New York. She told me that she wanted to participate on her own time in the political process—not on my behalf, I add parenthetically—and had been told by the board of ethics of the city of New York that while officers and employees of the city of New York are generally not prohibited against engaging in political activities, that "there are Federal Hatch Act provisions that apply to employees whose agencies receive Federal funds." And that as a result of that she was told "your activities in the political sphere must be reported to the head of your agency."

It was clear to me that counsel to the board of ethics of the city of New York was not aware of Public Law 93–443, section 401 which became law on October 15, 1974, which changed the prohibitions of the Hatch Act applying to the employees of municipal and State governments when all or part of their salary is federally financed. In an exchange of correspondence with S. Stanley Kreutzer, counsel of the board of ethics for New York City, I brought this change in the law to his attention and he has agreed that city employees no longer shall be required to report their political activities to the heads of their respective agencies, "but rather that agencies should inform its employees of any limitations or restrictions, if any."

Obviously, there is an important difference between advising employees of the city and State as to what they may and may not do under the law with respect to political activities and requiring them to report their activities to the heads of their departments.

As I said to Mr. Kreutzer in my letter to him of August 12, 1976, to require advance reporting of legitimate political activities is, in my judgment, an improper restriction. Such reporting would have a "chilling effect" on the legitimate political activities of public employees, and I am happy that this practice will now be stopped in New York City.

Regrettably, in his memorandum to the city employees, Mr. Kreutzer misinformed them as to one aspect of the Hatch provisions: city employees, contrary to Mr. Kreutzer's memorandum, may not be candidates for public office in a partisan State or local election. The only employees who are exempted from this restriction are those who hold local or State office, who may continue to run for those offices. Local and State employees who are covered by the restrictions may run for party office, as Mr. Kreutzer correctly states. I have informed Mr. Kreutzer of the error and suggested that he issue an amended memorandum.

I thought the correspondence would be of interest to our colleagues and I am appending it:

JULY 15, 1976.

S. STANLEY KREUTZER,
Counsel, Board of Ethics,
City Hall, New York, N.Y.

DEAR STANLEY: A constituent, S P , came to see me recently and provided me with a copy of a memorandum you sent to her dated March 11, 1976 and I am enclosing a copy for your immediate reference.

The second page of your memo states "Your activities in the political sphere must be reported to the head of your agency. You cannot take time away from the official duties with your agency—but must engage in your political activities on your own time and in accordance with the rules and regulations of your department." I certainly agree that a City employee must use his or her own time if he or she engages in political activities but I question your statement, to wit: "Your activities in the political sphere must be reported to the head of your agency."

Why must a City employee who is not Hatched, and they are not as I understand the law, report what he or she does politically on his or her own time? Wouldn't that make City employees second class citizens? And suppose the head of the agency didn't like what the employee was doing, could that administrator require that employee not to so engage in the activities?

I look forward to hearing from you on this matter.

All the best.

Sincerely,

EDWARD I. KOCH.

THE CITY OF NEW YORK,
BOARD OF ETHICS, CITY HALL,
New York, N.Y., August 3, 1976.

Hon. EDWARD I. KOCH,
26 Federal Plaza,
New York, N.Y.

DEAR ED: This is in reply to your letter. I called to talk to you shortly after its receipt and was informed that you were in Washington and would call me up on your return. Not having heard from you, I am answering your letter and enclosing my exchange of correspondence with Mrs. P.

Generally speaking, it is our view that no employee of the City should be prejudiced in his or her official position because of political activity; that no employee should be under obligation to contribute to a political fund or to render any political service. Nor should a public employee be penalized in any way because of a failure to do so. The corollary is equally true, viz; that no public employer, no matter how high his or her official position, should interfere with the public service of any employee or threaten to do so because the public servant gave or refused to give a contribution of money or services for or on behalf of a party, cause or other political activity; nor should anyone be permitted to use official authority or influence to coerce a public employee into doing or refraining from engaging in any political action.

I also explained to Mrs. P that no one in City government should require her to reveal her political affiliation or the identity of the cause or political party with which she wishes to identify; or any identifying factor concerning her political activity; nor should one's political affiliation or activity be an element in the promotion or evaluation of an employee's public service.

I am almost certain that the Municipal Services Agency, in which Mrs. P is employed, does receive some funding from the Federal government. The Hatch Act applies to employees of the City government if their principal employment is in connection with an activity which is financed in whole or in part by federal loans or grants, as I am sure you know. The requirement of reporting political activities to the head of the agency in our local government probably finds counterparts in many federal agencies as well. I have been so informed by a representative of the United States Civil Service Commission. The purpose of reporting to the agency head is to make sure that the employee does not engage in political activities on City time and also to make sure that those activities are not in conflict with existing laws or official duties. For example, police officers and Civil Service employees are forbidden from engaging in political activities by law. There are many who do not think there should be such a law—but just so long as the law is there, it would seem to me that it would have to be complied with. Take another example, suppose an employee in the Board of Elections were to engage in a partisan political activity against a candidate. Question. Would it not be lack of objectivity for that employee to make decisions or participate in decisions by the Board of Elections?

If you have any further question concerning this, I would appreciate your suggestion as to how you think this matter may be resolved.

Cordially,

S. STANLEY KREUTZER,
Counsel.

THE CITY OF NEW YORK,
BOARD OF ETHICS, CITY HALL,
New York, N.Y., March 11, 1976.

To: Mrs. P.
From: S. Stanley Kreutzer, Counsel.

This is in reply to your request for an opinion in connection with your participation in the forthcoming elections.

In view of the fact that there are legal questions involved we have taken this matter up with the Corporation Counsel who informed us that under New York law, officers and employees of the City are generally not prohibited from running for public office or for a political party office. Except for specific restrictions there is no prohibition against engaging in a political contest or activity of the nature described by you.

The Corporation Counsel has advised us that specified restrictions in the Charter prohibit police from joining a political organization and may not engage in political activity. (Sections 433, 439 of Charter); that Department of Personnel Employees are prohibited from holding office or serving on committees of political organizations or as delegates to a political convention.

There are federal Hatch Act provisions that apply to employees whose agencies receive federal funds. In his opinion, the Corporation Counsel said

". . . it should be noted that the acceptance of certain elective offices will in some cases require such officer or employee to relinquish his position because of specific statutory prohibition. For example, Section 1115 of the City Charter, with certain exceptions, prohibits any person holding City office, whether by election or appointment, from accepting or retaining any other civil office. In addition, there exists the common law principle which prohibits individuals from holding public positions which are incompatible . . . (when) performance by the same individual results in a conflict of duties so that the incumbent of one cannot with propriety discharge the duties of the other. *People ex rel. Ryan* v. *Green*, 58 N.Y. 295, 304–305 (1874)."

I enclose Opinion No. 170 which also involved political activity. City employees should comply with the rules, regulations and policies of their respective agencies concerning political activities. I also bring to your attention the enclosed Charter provisions, Sections 1100, 1108, 1115, 1124.

The special statutory provisions which form part of our Federal law known as the "Hatch Act," impose restrictions on government employees who work in agencies which are federally funded in whole or in part. Since the Hatch Act was amended (effective January 1975) city employees in federally funded agencies are permitted to participate in political activities as private citizens, although they are prohibited from engaging in political "arm twisting," "on the job" financial solicitation, or use of official authority to influence nominations or candidacies for elective offices or partisan political office.

For your information, I set forth in detail Title 5 of the United States Code (Sections 1502 and 1503):

"§ 1502. Influencing elections; taking part in political campaigns; prohibitions; exceptions

"(a) A State or local officer or employee may not—

"(1) Use his official authority or influence for the purpose of interfering with or affecting the result of an election or a nomination for office;

"(2) directly or indirectly coerce, attempt to coerce, command, or advise a State or local officer or employee to pay, lend, or contribute anything of value to a party, committee, organization, agency, or person for political purposes; or

"(3) be a candidate for elective office.

"§ 1503. Nonpartisan candidacies permitted

"Section 1502(a)(3) of this title does not prohibit any State or local officer or employee from being a candidate in any election if none of the candidates is to be nominated or elected at such election as representing a party any of whose candidates for Presidential elector received votes in the last preceding election at which Presidential elector were selected."

Your activities in the political sphere must be reported to the head of your agency. You cannot take time away from the official duties with your agency—but must engage in your political activities on your own time and in accordance with the rules and regulations of your department.

HOUSE OF REPRESENTATIVES,
Washington, D.C., August 12, 1976.

S. STANLEY KREUTZER,
Counsel, Board of Ethics,
City Hall, New York

DEAR STANLEY: First let me thank you for your letter of August 3rd. Secondly, you are in error when you state that "The Hatch Act applies to employees of the City government if their principal employment is in connection with an activity which is financed in whole or in part by federal loans or grants, as I am sure you know." That was changed by PL 93-443, Sec. 401 and I am enclosing a copy of that and the Federal Register, Vol. 40, No. 180, September 16, 1975 which sets forth the changes.

In view of the changes, may I suggest that you change your opinion in this matter. I do not believe that notwithstanding whatever limitations there are on City employees concerning political activities, and there are appropriate ones, that they should be required to report those activities to their supervisors. Rather it seems to me that they should be notified as to what the limitations and restrictions are and if they violate those then they are subject to appropriate penalty. But to require advance reporting of legitimate political activities is, in my judgment, an improper restriction.

In view of this additional information which I have brought to your attention, I ask that you reconsider your decision in this case regarding Mrs. P and others similarly situated.

All the best and please advise.

Sincerely,

EDWARD I. KOCH.

THE CITY OF NEW YORK,
BOARD OF ETHICS, CITY HALL,
New York, N.Y., August 23, 1976.

Hon. EDWARD I. KOCH,
Congress of the United States,
House of Representatives,
Washington, D.C.

DEAR ED: I thank you for your letter of August 12. The information which you sent about the Hatch Act differs from that which was supplied to me by the U.S. Civil Service Commission. However, I accept your view. The views of the Federal Civil Service Commission seem to me to be in a state of flux at this time and probably reflect the uncertainties and hesitations of decision with which many a civil servant often grapples.

I read your letter very carefully. I agree with you that limitations and restrictions should be clearly set forth by agency heads. Obviously, they should be within constitutional limits and in accord with existing statutes of the federal, state and local governments.

I explained to Mrs. P a number of times that "Hatch" employees may take an active part in political campaigns; that a civil servant could be a candidate for political office; that she could hold membership or office in a political party, organization or club and could attend political conventions and express her views with respect to causes, candidates or subjects of a political nature.

Concerning political contributions, however, I bring your attention to Section 1108 of the Charter and once again refer to the fact that provisions of city, state, and federal laws must be complied with.

Consequently, having given consideration to the various aspects of the case with respect to Mrs. P, it is my opinion that she should not be required to report her political activities to the head of her agency, but rather that agencies should inform its employees of any limitations or restrictions, if any.

Thank you for helping to straighten this matter out.

Cordially,

S. STANLEY KREUTZER.

BOARD OF ETHICS MEMORANDUM

AUGUST 30, 1976.

Re: Political Activities.
To: City Employees.
From: S. Stanley Kreutzer.

Based on information given to me by a Congressman, employees who are "Hatched" are no longer subject to the previous limitations that heretofore existed. Under present law employees who are "Hatched" may take an active part in political campaigns; they may like all other employees be candidates for political office and hold membership or office in a political party, organization or club. They are also permitted to express their views concerning causes, candidates or subjects of a political nature and may attend and participate in political conventions.

There are exceptions such as Police Officers, Civil Service Commission employees and possibly others.

It is important to observe Section 1108 of the Charter (attached) which forbids political contributions from city employees under the penalty of forfeiture of public office or employment. A violation of Section 1108 is a misdemeanor.

Agency heads should set forth guidelines which may include limitations and restrictions provided they are reasonable and within constitutional provisions. Obviously, these limitations and restrictions should not only be within constitutional limits but also in accordance with Federal, State and local statutes.

HOUSE OF REPRESENTATIVES,
Washington, D.C., August 30, 1976.

S. STANLEY KREUTZER,
Counsel, The City of New York,
Board of Ethics, City Hall,
New York, N.Y.

DEAR STANLEY: I have your memorandum of August 30, and while I was delighted that you accepted my suggestion that city employees not be required to clear their political activities with their supervisors, and rather simply be informed about the acceptable limits of their political activities under the law, I regret to advise you that your memorandum was not entirely factual and should be corrected.

The memorandum is in error in stating that affected city and state employees may be candidates in a partisan election for public office. City employees who had formally been "Hatched" may not run for partisan public office, unless they are already holding elected office. They can run for party office. The restrictions are set forth in the Public Law and Federal Register which accompanied my letter of August 12. The Federal Register is that of September 16, 1975, not the date mentioned in your memorandum.

If you have additional questions on the matter, feel free to call me or the Federal Election Commission (toll-free 800-424-9531). I suggest that you send out an amended memorandum forthwith.

All the best.

Sincerely,

EDWARD I. KOCH.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HELSTOSKI (at the request of Mr. O'NEILL), for today, on account of official business.

Mrs. COLLINS of Illinois (at the request of Mr. O'NEILL), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. HANSEN) and to revise and extend their remarks and include extraneous matter:)

Mr. CRANE, for 30 minutes, today.

Mr. DEVINE, for 10 minutes, today.

(The following Members (at the request of Mr. BLANCHARD), to revise and extend their remarks, and to include extraneous matter:)

Mr. O'NEILL, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. WOLFF, for 30 minutes, today.

Mr. ROSTENKOWSKI, for 10 minutes, today.

Mr. DOMINICK V. DANIELS, for 5 minutes, today.

Mr. BAUCUS, for 10 minutes, today.

Mr. VANIK, for 5 minutes, today.

Mr. BRINKLEY, for 30 minutes, today.

Mr. BROWN of California, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BRADEMAS to revise and extend his remarks on the various printing resolutions from the Committee on House Administration today.

(The following Members (at the request of Mr. HANSEN) and to include extraneous matter:)

Mr. HEINZ.

Mr. DERWINSKI.

Mr. MCCLORY in two instances.

Mr. DEL CLAWSON.

Mr. RHODES.

Mr. ANDERSON of Illinois.

Mr. SHUSTER.

Mr. SARASIN.

Mr. PAUL in two instances.

(The following Members (at the request of Mr. BLANCHARD) and to include extraneous matter:)

Mr. ANNUNZIO in six instances.

Mr. BROWN of California in 10 instances.

Mr. ANDERSON of California in three instances.

Mr. GONZALEZ in three instances.

Mr. NOLAN.

Mr. TEAGUE.

Mr. DOWNEY of New York in four instances.

Mr. MAZZOLI.

Ms. ABZUG.

Mr. BINGHAM in 10 instances.

Mr. DENT.

Mr. PATTEN.

Mr. DRINAN in five instances.

Mr. ROE in two instances.

Mr. STEPHENS.

Mr. TAYLOR of North Carolina.

Mr. EDGAR.

Mr. LEHMAN.

Mr. WAXMAN.

Mr. HALL of Illinois in two instances.

Mr. RANGEL.

Mr. MCDONALD in four instances.

Mr. FARY.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 3395. An act to authorize appropriations for the construction of the Uintah unit of the central Utah project; to the Committee on Interior and Insular Affairs.

ENROLLED BILL SIGNED

Mr. THOMPSON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 9153. An act granting the consent of Congress to the New Hampshire-Vermont Interstate Sewage Waste Disposal Facilities Compact.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMPSON, from the Committee on House Administration, reported that that committee did on August 26, 1976, present to the President, for his approval, bills of the House of the following titles:

H.R. 3650. An act to clarify the application of section 8344 of title 5, United States Code, relating to civil service annuities and pay upon reemployment, and for other purposes;

H.R. 10370. An act to amend the act of January 3, 1975, establishing the Canaveral National Seashore;

H.R. 11009. An act to provide for an independent audit of the financial condition of the government of the District of Columbia;

H.R. 12261. An act to extend the period during which the Council of the District of Columbia is prohibited from revising the criminal laws of the District;

H.R. 12455. An act to amend title XX of the Social Security Act so as to permit greater latitude by the States in establishing criteria respecting eligibility for social services to facilitate and encourage the implementation by States of child day care services programs conducted pursuant to such title, to promote the employment of welfare recipients in the provision of child day care services, and for other purposes; and

H.R. 13679. An act to provide assistance to the Government of Guam, to guarantee certain obligations of the Guam Power Authority, and for other purposes.

ADJOURNMENT

Mr. BLANCHARD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 16 minutes p.m.), the House adjourned until tomorrow, Tuesday, August 31, 1976, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3881. A letter from the President of the United States, transmitting his determination (No. TQ 3) that the sale of certain defense articles and services to Turkey are necessary to enable her to fulfill her obligations as a member of the North Atlantic Treaty Organization, and his suspension of the provisions of section 620(x) of the Foreign Assistance Act and section 3(c) of the Arms Export Control Act, pursuant to section 620(x) of the Foreign Assistance Act, as amended (90 Stat. 757) (H. Doc. No. 94–590); to the Committee on International Relations and ordered to be printed.

3882. A letter from the President of the United States, transmitting a proposed supplemental appropriation for fiscal year 1977 for the National Commission on Libraries and Information Science (H. Doc. No. 94–591); to the Committee on Appropriations and ordered to be printed.

3883. A letter from the President of the United States, transmitting a budget amendment for fiscal year 1977 for the Department of Health, Education, and Welfare (H. Doc. 94–592); to the Committee on Appropriations and ordered to be printed.

3884. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report of actions taken on recommendations contained in the annual report of the Federal Council on the Aging, dated March 31, 1975, pursuant to section 6(b) of the Federal Advisory Committee Act; to the Committee on Government Operations.

3885. A letter from the Deputy Assistant Secretary of Defense (Comptroller), transmitting notice of a proposed change to an existing system of records in the Department of the Air Force, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3886. A letter from the Administrator, Office of Federal Procurement Policy, Executive Office of the President, transmitting a report on the study of procurement payable from nonappropriated funds, pursuant to section 6(c) of Public Law 93–400; to the Committee on Government Operations.

3887. A letter from the Chairman, Federal Election Commission, transmitting amendments to the Commission's regulations governing the Presidential Primary Matching Fund Account, pursuant to section 316(c) of the Federal Election Campaign Act, as amended [2 U.S.C. 438] (H. Doc. No. 94–593); to the Committee on House Administration and ordered to be printed.

3888. A letter from the Deputy Assistant Secretary of the Interior, transmitting the third volume of the westwide study report entitled "Critical Water Problems Facing the Eleven Western States," pursuant to Public Law 90–537; to the Committee on Interior and Insular Affairs.

3889. A letter from the Chairman, Federal Power Commission, transmitting copies of publications entitled "Statistics of Publicly Owned Electric Utilities in the United States, 1974," and "Principal Electric Facilities, 1976," regional maps; to the Committee on Interstate and Foreign Commerce.

3890. A letter from the Acting Executive Director, Federal Communications Commission; transmitting a report on the backlog of pending applications and hearing cases in the Commission as of June 30, 1976, pursuant to section 5(e) of the Communications Act, as amended; to the Committee on Interstate and Foreign Commerce.

3891. A letter from the Vice President, Government Affairs, National Railroad Passenger Corporation; transmitting the financial report of the Corporation for May, 1976,

pursuant to section 308(a)(1) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

3892. A letter from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to section 112(b) of Public Law 92-403; to the Committee on International Relations.

3893. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to provide for protection of the spouses of major Presidential and Vice Presidential nominees; to the Committee on the Judiciary.

3894. A letter from the Executive Director, American Historical Association, transmitting the audit report for the organization for the year ended June 30, 1976, pursuant to section 3 of Public Law 88-504; to the Committee on the Judiciary.

3895. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend section 510(i) of the Merchant Marine Act, 1936; to the Committee on Merchant Marine and Fisheries.

3896. A letter from the Secretary of Transportation, transmitting a prospectus proposing construction of a new technical and administrative complex at the National Aviation Facilities Experimental Center (Federal Aviation Administration) near Atlantic City, N.J.; to the Committee on Public Works and Transportation.

3897. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a letter from the Chief of Engineers, Department of the Army, submitting a report on Los Angeles-Long Beach Harbors, Calif. (H. Doc. No. 94-594); to the Committee on Public Works and Transportation and ordered to be printed with illustrations.

RECEIVED FROM THE COMPTROLLER GENERAL

3898. A letter from the Acting Comptroller General of the United States, transmitting his review of the proposed rescissions and deferrals of budget authority contained in the message from the President dated July 28, 1976 (H. Doc. No. 94-567), pursuant to section 1014(b) of Public Law 93-344 (H. Doc. 94-595); to the Committee on Appropriations and ordered to be printed.

3899. A letter from the Acting Comptroller General of the United States, transmitting a report on procedures for reducing Air Force war reserve requirements for spares and repair parts and improving the readiness posture of combat units; jointly, to the Committees on Government Operations, and Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Pursuant to the order of the House on August 26, 1976, the following report was filed on August 27, 1976*]

Mr. BROOKS: Committee on Government Operations. H.R. 14886. A bill to revise the appropriation authorization for the Presidential Transition Act of 1963; with amendments. (Rept. No. 94-1442). Referred to the Committee of the Whole House on the State of the Union.

[*Pursuant to the order of the House on August 26, 1976, the following report was filed on August 27, 1976*]

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 13089. A bill to amend the Uniform Time Act of 1966 to change the period of observance of daylight saving time; with amendments (Rept. No. 94-1443). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BRINKLEY:

H.R. 15310. A bill to establish a council on judicial tenure in the judicial branch of the Government, to establish a procedure in addition to impeachment for the retirement of disabled Justices and judges of the United States, and the removal of Justices and judges whose conduct is or has been inconsistent with the good behavior required by article III, section 1 of the Constitution, and for other purposes; to the Committee on the Judiciary.

By Mr. JOHN L. BURTON:

H.R. 15311. A bill to provide that expenditures made in connection with certain debates between candidates during the 1976 Presidential campaign shall not be considered political contributions or expenditures for purposes of the Federal Election Campaign Act of 1971 or any other Federal law; to the Committee on House Administration.

By Mr. DAVIS:

H.R. 15312. A bill to repeal titles XV and XVI of the Public Health Service Act; to the Committee on Interstate and Foreign Commerce.

By Mr. GAYDOS:

H.R. 15313. A bill to amend title II of the Social Security Act to provide that the automatic cost-of-living increases in benefits which are authorized thereunder may be made on a semiannual basis (rather than only on an annual basis as at present); to the Committee on Ways and Means.

By Mr. GAYDOS:

H.R. 15314. A bill to provide for the monthly publication of a consumer price index for the aged and other social security beneficiaries, which shall be used in the provisions of the cost-of-living benefit increase authorized by title II of the Social Security Act; to the Committee on Ways and Means.

By Mr. JACOBS:

H.R. 15315. A bill to amend the Federal Trade Commission Act to provide that exclusive territorial arrangements used in the distribution or sale of a trademarked soft drink product or a trademarked private label food product shall not be deemed unlawful per se; jointly, to the Committees on Interstate and Foreign Commerce, and the Judiciary.

By Mr. MILLER of Ohio (for himself, Mr. JONES of Oklahoma, Mr. RINALDO, Mr. DEL CLAWSON, Mr. HECHLER of West Virginia, Mr. KINDNESS, Mr. WHITEHURST, Mr. GAYDOS, Mr. SEBELIUS, Mr. LENT, Mr. DERWINSKI, Mr. DEVINE, Mr. MOLLOHAN, Mr. DAN DANIEL, Mr. JOHNSON of Pennsylvania, Mr. BEVILL, Mr. HUGHES, Mr. ICHORD, Mr. TREEN, Mr. CHARLES WILSON of Texas, Mr. LAGOMARSINO, Mr. BAFALIS, Mr. KETCHUM, Mr. GUYER, and Mr. CEDERBERG):

H.R. 15316. A bill to amend section 901(a) (relating to prohibition of sex discrimination) of the Education Amendments of 1972 to exempt from the prohibition of such section musical programs or activities, and social programs or activities designed for parent and students; to the Committee on Education and Labor.

By Mr. PRICE (for himself and Mr. BOB WILSON) (by request):

H.R. 15317. A bill to amend chapter 639 of title 10, United States Code, to enable the Secretary of the Navy to change the name of a publication of the Naval Observatory providing data for navigators and astronomers; to the Committee on Armed Services.

By Mrs. SULLIVAN:

H.R. 15318. A bill to authorize the construction of a replacement lock and dam for locks and dam 26, Mississippi River, Alton, Ill., and for other purposes; to the Committee on Public Works and Transportation.

By Mr. HUNGATE:

H.R. 15319. A bill to approve in whole or in part, with amendments, certain rules relating to cases and proceedings under setcions 2254 and 2255 of title 28 of the United States Code; to the Committee on the Judiciary.

By Mr. EDGAR:

H.R. 15320. A bill to designate the first Tuesday after the first Monday in November, in every even-numbered year, as a legal public holiday; to the Committee on Post Office and Civil Service.

By Mr. EDWARDS of Alabama:

H.R. 15321. A bill to amend part D of title IV of the Social Security Act to limit the amount of an individual's wages which is subject to garnishment thereunder, for the enforcement of child support and alimony obligations, to 50 percent of such wages (or such lower amount as may be provided by State law); to the Committee on Ways and Means.

By Mr. GUDE (for himself, Mr. BAUCUS, and Mr. BEDELL):

H.R. 15322. A bill to amend the Federal employee health insurance provisions of title 5, United States Code, to require that notice and hearing be provided before the effective date of any reduction of health benefits or any exclusion of any type of provider of health services; to the Committee on Post Office and Civil Service.

By Mr. HEINZ (for himself, Mr. D'AMOURS, Mr. LEHMAN, Mr. YATRON, Mr. COUGHLIN, Mr. BUCHANAN, Mr. SARASIN, Mr. HOWE, Ms. ABZUG, and Mr. ST GERMAIN):

H.R. 15323. A bill to authorize the Secretary of Housing and Urban Development to make grants to local agencies for converting closed school buildings to efficient, alternate uses, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. HEINZ (for himself, Mr. LEHMAN, Mr. YATRON, Mr. SARASIN, Mr. HOWE, Ms. ABZUG, and Mr. ST GERMAIN):

H.R. 15324. A bill to amend the Internal Revenue Code of 1954 to encourage businesses to purchase surplus school or hospital buildings from governmental and nonprofit entities by providing rapid amortization for such buildings; to the Committee on Ways and Means.

By Mr. HEINZ (for himself, Mr. BAUCUS, Mr. GILMAN, and Mr. HAMILTON):

H.R. 15325. A bill to establish a program for repairing and replacing unsafe highway bridges; jointly, to the Committees on Public Works and Transportation, and Ways and Means.

By Mr. JONES of North Carolina:

H.R. 15326. A bill to amend the project for Atlantic Intracoastal Waterway bridges, Virginia and North Carolina; to the Committee on Public Works and Transportation.

By Mr. LAGOMARSINO:

H.R. 15327. A bill to amend title 39, United States Code, to provide for the mailing of correspondence to Members of the Congress free of postage, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MATSUNAGA:

H.R. 15328. A bill to establish the national diabetes advisory board and to take other actions to insure the implementation of the long-range plan to combat diabetes; to the Committee on Interstate and Foreign Commerce.

By Mr. MYERS of Pennsylvania:

H.R. 15329. A bill to strengthen Federal nepotism laws as they pertain to Members and employees of the Congress, and for other

purposes; jointly, to the Committees on Post Office and Civil Service, House Administration, and the Judiciary.

By Mrs. MEYNER (for herself, Mr. AuCOIN, and Mr. BAUCUS):

H.R. 15330. A bill to amend the Internal Revenue Code of 1954 to exempt farmers from the highway use tax on heavy trucks used for farm purposes; to the Committee on Ways and Means.

By Mr. QUIE:

H.R. 15331. A bill to require that imported palm oil and palm oil products made in whole or in part of imported palm oil be labeled, to provide for the inspection of imported palm oil and palm oil products, to require that imported palm oil and palm oil products comply with certain minimum standards of sanitation, and for other purposes; to the Committee on Agriculture.

By Mr. RICHMOND (for himself, Mr. BADILLO, Mrs. CHISHOLM, Mr. CLAY, Mr. DOWNEY of New York, Mr. EILBERG, Mr. FLOOD, Mr. GILMAN, Mr. HAWKINS, Mr. MEZVINSKY, Mr. MILLER of California, Mr. CHARLES WILSON of Texas, Mr. WON PAT, and Mr. ZEFERETTI):

H.R. 15332. A bill to amend the Older Americans Act of 1965 to require the Commissioner on Aging to establish a special supplemental food program and medical examination and referral program for older Americans, and for other purposes; to the Committee on Education and Labor.

By Mr. SMITH of Iowa (for himself, Mr. BERGLAND, and Mr. QUIE):

H.R. 15333. A bill to authorize the construction of a lock and dam project on the Mississippi River near Alton, Ill., to revoke authority for 12-foot channel studies on the upper Mississippi River and its tributaries, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. BRODHEAD (for himself, Mr. ANDREWS of North Carolina, Mr. BUCHANAN, Mrs. CHISHOLM, Mrs. COLLINS of Illinois, Mr. EDWARDS of Alabama, Mr. FLOOD, Mr. FORD of Michigan, Mr. HELSTOSKI, Mr. LA FALCE, Mr. LUJAN, Mr. LUNDINE, Mrs. MINK, Mr. MOLLOHAN, Mr. PICKLE, Mr. ROSE, Mrs. SPELLMAN, Mr. QUIE, and Mr. VANDER VEEN):

H.J. Res. 1076. A resolution providing for the designation of the week beginning October 3, 1976, and ending October 9, 1976, as "National Gifted Children Week"; to the Committee on Post Office and Civil Service.

By Mr. HANNAFORD:

H.J. Res. 1077. A resolution to establish a national commission on housing for the elderly; to the Committee on Banking, Currency and Housing.

By Mr. JACOBS (for himself, Mr. DERWINSKI, Mr. BEVILL, Mr. ANDREWS of North Carolina, Mr. BURGENER, Mr. CLEVELAND, Mr. RUSSO, and Mr. CHARLES WILSON of Texas):

H.J. Res. 1078. A resolution to amend the Constitution of the United States to provide for balanced budgets and elimination of the Federal indebtedness; to the Committee on the Judiciary.

By Mr. KETCHUM:

H.J. Res. 1079. A resolution proposing an amendment to the Constitution of the United States to provide that no person 65 years of age or older may become President, Vice President, Senator, Representative, or be an officer of the United States; to the Committee on the Judiciary.

By Mr. ROYBAL (for himself, Ms. ABZUG, Mr. ANDERSON of Illinois, Mr. BAUCUS, Mr. BEARD of Rhode Island, Mr. BLOUIN, Mr. JOHN L. BURTON, Mr. CONTE, Mr. CORNELL, Mr. EARLY, Mr. FLORIO, Mr. GRASSLEY, Mr. HAYES of Indiana, Mr. LOTT, Mr. MAZZOLI, Mr. MOFFETT, Mr. MOLLOHAN, Mr. OBERSTAR, Mr. O'NEILL, Mr. SARBANES, and Mr. SISK):

H.J. Res. 1080. A resolution authorizing the President to proclaim September 8 of each year as "National Cancer Day"; to the Committee on Post Office and Civil Service.

By Mr. BUCHANAN (for himself, Mr. FASCELL, and Mr. FRASER):

H. Con. Res. 725. A resolution to state that Georgi Vins should be released and that the Soviet Government should permit religious believers within its borders to worship God according to their own conscience; to the Committee on International Relations.

By Mr. FLYNT:

H. Res. 1500. A resolution to provide for the additional expenses of the Committee on Standards of Official Conduct for the investigation authorized by H. Res. 1042; to the Committee on House Administration.

By Mr. SIKES:

H. Res. 1501. A resolution expressing the sense of the House regarding the closing of post offices; to the Committee on Post Office and Civil Service.

By Mr. SISK (for himself, Mr. PEPPER, Mr. MURPHY of Illinois, Mr. YOUNG of Georgia, and Mr. ANDERSON of Illinois):

H. Res. 1502. A resolution amending the Rules of the House of Representatives to provide for television and radio coverage of the proceedings of the House; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. PHILLIP BURTON:

H.R. 15334. A bill for the relief of Pedro Berdnicoff Zadovsky; to the Committee on the Judiciary.

H.R. 15335. A bill for the relief of Zoila Anelda Munoz; to the Committee on the Judiciary.

By Mr. McFALL:

H.R. 15336. A bill for the relief of Eduardo Jose Araya Quispe; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

569. By Mrs. MINK: Petition of officers and members of credit unions in Hawaii, relative to the proposed "Financial Institutions Act of 1975"; to the Committee on Banking, Currency and Housing.

570. By the SPEAKER: Petition of Robert T. Crew, Jacksonville, Fla., relative to the use of fuel flow instruments on automobiles; to the Committee on Interstate and Foreign Commerce.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 10498

By Mr. BUTLER:

Amendment No. 1: Page 332, strike line 1 and all thereafter through and including line 10 on page 335, and renumber the following sections accordingly and make the necessary conforming changes in the table of contents.

Amendment No. 2: Page 332, strike line 1 and all thereafter through and including line 17 on page 334, and insert in lieu thereof the following heading:

"COSTS OF LITIGATION"

Page 334, line 18, delete "(b)" where it first appears and insert in lieu thereof: "Sec. 311. (a)".

Page 335, line 1, resignate "(c)" as "(b)".

Page 335, line 8, redesignate "(d)" as "(c)".

Make the necessary conforming changes in the table of contents.

Amendment No. 3: Page 332, beginning on line 5, delete "as otherwise provided in subsection (b)" and insert in lieu thereof: "in the case of actions before the Supreme Court".

Page 332, strike line 19 and all thereafter through and including line 24 on page 333.

Page 334, line 1, redesignate "4" as "b".

Page 334, strike lines 3 and all thereafter down through the first period in line 17.

By Mr. HUGHES:

On page 236, after line 12, insert the following new section:

TEMPORARY EMERGENCY REVISIONS

SEC. 116. Section 110 of the Clean Air Act (42 U.S.C. 1857c-5), as amended by section 103 of this Act, is amended by adding at the end thereof the following new subsection:

"(f)(1) Upon application by the owner or operator of a fuel burning stationary source, and after notice and public hearing on the record, an emergency revision of an implementation plan with respect to such source may be made by the Governor of the State in which such source is located and may take effect immediately pending approval or disapproval by the Administrator.

"(2) An emergency revision under this subsection shall be made only if the Governor of such State finds that—

"(A) there exists in the vicinity of such source an economic emergency involving actual or threatened high levels of unemployment;

"(B) such unemployment can be totally or partially alleviated by such emergency revision; and

"(C) such emergency revision, together with all other revisions effective under this subsection, will not result in emisions from such source of any air pollutant which may cause, or materially contribute to any delay in the attainment of, or preventing the maintenance of, any national ambient air quality standard for such pollutant.

"(3) A temporary emergency revision made by a Governor under this subsection shall remain in effect for a maximum of four months. The Administrator shall, within such four month period, approve such revision if he determines that it meets the requirements of paragraph (2) of subsection (a) of this section.

"(4) This subsection shall not apply in the case of a plan promulgated by the Administrator under subsection (c) of this section.

"(5) No emergency revision may be effective pursuant to this subsection if such revision contains any plan provision which has been disapproved by the Administrator (or any plan provision which would have the effect of a provision which has been disapproved by the Administrator) at any time during the 18 months preceding the date of application for such revision."

By Mr. KOCH:

Page 302, after line 7, insert:

CARBON MONOXIDE STANDARDS FOR SCHOOLBUS PASSENGER AREAS

SEC. 220. (a) Title II of the Clean Air Act (relating to emission standards for moving sources) is amended by adding the following new part at the end thereof:

"PART D—CARBON MONOXIDE STANDARDS FOR SCHOOLBUS PASSENGER AREAS

"ESTABLISHMENT OF STANDARDS

"SEC. 241. (a) The Administrator, in conjunction with the Secretary of Transportation, shall study the problem of carbon monoxide intrusion into the passenger area of buses and sustained-use motor vehicles. Such study shall include an analysis of the sources and levels of carbon monoxide in the passenger area of such buses and vehicles and a determination of the effects of carbon monox-

ide upon the passengers. The study shall also review available methods of monitoring and testing for the presence of carbon monoxide and shall analyze the cost and effectiveness of alternative methods of monitoring and testing and of alternative strategies for attaining and maintaining the standards promulgated under this section. Within one year the Administrator shall report to the Congress respecting the results of such study.

"(b) Not later than fifteen months after the enactment of this part, the Administrator shall issue proposed standards applicable to carbon monoxide in the passenger areas of schoolbuses which, in his judgment, are requisite to protect, with an adequate margin of safety, the health of passengers and to permit safe operation of such buses.

"(c) Not later than 180 days after issuance of proposed standards under subsection (b) and pursuant to the requirements of section 307(d), the Administrator shall, by regulation, promulgate, with such modifications as he deems appropriate, final standards applicable to the presence of carbon monoxide in the passenger areas of schoolbuses which, in his judgment, are requisite to protect, with an adequate margin of safety, the health of passengers and to permit safe operation of such buses. Such standards shall be reviewed from time to time and, where appropriate, such standards shall be revised.

"COMPLIANCE

"SEC. 242. (a) Each State shall submit to the Secretary of Transportation an implementation plan which shall include such measures as may be required, under regulations promulgated by the Secretary, to prevent the operation of any schoolbus in violation of the standards established under section 241(c) when such violation is attributable to such schoolbus. Such measures shall be required to be implemented as expeditiously as practicable (but not later than three years after approval of the plan). Such regulations may provide for such schedules and timetables as may be appropriate and shall require monitoring and, not less frequently than twice during any 12-month period, inspection of such schoolbuses. Such measures shall apply to schoolbuses manufactured before the effective date of this part (buses in use) as well as to schoolbuses manufactured on or after such date.

"(b) The Secretary shall approve the plan submitted by the State under subsection (a) if such plan meets the requirements of subsection (a). Such plan shall be approved or disapproved in such manner as shall be provided by regulation of the Secretary.

"(c) A schoolbus may not be registered, or otherwise authorized to operate, by a State after the date 34 months after the date of enactment of this section unless such bus is in compliance with a plan approved under this section. The Secretary may commence a civil action for appropriate relief including a permanent or temporary injunction whenever any person fails to comply with the preceding sentence. Any action under this subsection may be brought in the appropriate district court of the United States, and such court shall have jurisdiction to restrain such violation and to require compliance.

"DEFINITIONS

"SEC. 243. For purposes of this part, the term—

"(1) 'person' has the meaning provided by section 302(e);

"(2) 'passenger' includes the driver;

"(3) 'bus' means any passenger motor vehicle which is designed to carry more than 10 passengers in addition to the driver.

"(4) 'schoolbus' means a bus which the Secretary of Transportation determines is likely to be significantly used for the purpose of transporting primary, preprimary, or secondary school students to or from such schools or events related to such schools;

"(5) 'motor vehicle' means any self-propelled vehicle designed for transporting persons or property on a street or highway; and

"(6) 'sustained-use motor vehicle' means any diesel or gasoline fueled motor vehicle (whether light or heavy duty) which, as determined by the Administrator (in conjunction with the Secretary), is normally used and occupied for a sustained, continuous, or extensive period of time, including, but not limited to, taxicabs, and police vehicles.

"STATE LAW

"SEC. 244. Nothing in this part shall preclude or deny any State or political subdivision thereof the right to adopt or enforce any requirement applicable to the presence of carbon monoxide in the passenger areas of schoolbuses except that if any such requirement is in effect pursuant to this part no such State or political subdivision may adopt or enforce any such requirement which is less stringent than the requirement in effect pursuant to this part.".

(b) Each State shall adopt and submit a plan for the purpose of meeting the requirements of section 242 of the Clean Air Act not later than 30 months after enactment of this section. Not later than 4 months after submission of such plan, the Secretary of Transportation shall approve such plan or disapprove such plan.

Amend the table of contents on page 153 to insert the following items after the item relating to section 219:

"SEC. 220. Carbon monoxide standards for schoolbus passenger areas."

H.R. 12112

By Mr. HARKIN:

On page 31 (which is part of the Science and Technology Committee Amendment), strike the sentence beginning on line 14 through the period on line 23 and insert therein the following new sentence:

"The authorized indebtedness to be guaranteed under clauses (A), (B), and (C) of this paragraph shall be allocated by the Administrator so that no more than 50 per centum is for high-Btu gasification and related community assistance under subsection (k), no more than 30 per centum is for other fossil based synthetic fuels and biomass, which shall include, but is not limited to, animal and timber waste, urban and other waste, and sewage sludge, and related community assistance under subsection (k), and no less than 20 per centum for renewable resources and for industrial energy conservation and related community assistance under subsection (k)."

On page 69 (which is part of the Banking, Currency and Housing Committee amendment), strike the sentence beginning on line 15 through the period on line 23 and insert therein the following new sentence:

"The authorized indebtedness to be guaranteed under clauses (A), (B), and (C) of this paragraph shall be allocated by the Administrator so that no more than 50 per centum is for high Btu gasification and related community assistance under subsection (k), no more than 30 per centum is for other fossil based synthetic fuels and biomass, which shall include, but is not limited to, animal and timber waste, urban and other waste, and sewage sludge, and related community assistance under subsection (k), and no less than 20 per centum for renewable resources and for industrial energy conservation and related community assistance under subsection (k)."

On page 31 (which is part of the Science and Technology Committee amendment), line 4, strike all after the period through the colon on line 7 and insert therein the following:

"The amount of obligations authorized for any guarantee or commitment to guarantee under this subsection is $2,000,000:".

On page 69 (which is part of the Banking, Currency and Housing Committee amendment), line 4, strike all after the period through the colon on line 7 and insert therein the following:

"The amount of obligations authorized for any guarantee or commitment to guarantee under this subsection is $2,000,000,000:".

On page 37 (which is part of the Science and Technology Committee amendment), line 23, strike "initiated by the Governor".

On page 77 (which is part of the Banking, Currency and Housing Committee amendment), lines 22 and 23, strike "initiated by the Governor".

On page 38 (which is part of the Science and Technology Committee amendment), after the period on line 7, insert the following:

"Nothing in this section shall be deemed to restrict the right of any person to obtain judicial review under Federal or State law, as appropriate, of any Federal agency action or State agency action."

On page 78 (which is part of the Banking, Currency and Housing Committee amendment), after the period on line 7, insert the following:

"Nothing in this section shall be deemed to restrict the right of any person to obtain judicial review under Federal or State law, as appropriate, of any Federal agency action or State agency action."

H.R. 14238

By Mr. COUGHLIN:

Amendment 3–1: On page 2, line 15, strike the period and insert in lieu thereof: *"Provided,* That the expenditure of any appropriation contained in this Act, disbursed on behalf of any Member or Committee of the House of Representatives, shall be limited to those funds paid against a voucher, signed and approved by a Member of the House of Representatives, stating under penalty of perjury, that the voucher is for official expenses as authorized by law: *Provided further,* That any member of the House of Representatives who willfully makes and subscribes to any such voucher which contains a written declaration that it is made under the penalties of perjury and which he does not believe at the time to be true and correct in every material matter, shall be guilty of a felony and, upon conviction thereof, shall be fined not more than $2,000, or imprisoned for not more than five years, or both."

Amendment 3–2: On page 2, line 15, strike the period and insert in lieu thereof: ":*Provided,* That the expenditure of any appropriation contained in this Act, disbursed on behalf of any Member or Committee of the House of Representatives, shall be limited to those funds paid against a voucher, signed and approved by a Member of the House of Representatives stating under penalty of perjury, that the voucher is for official expenses as authorized by law."

Amendment 4–1: On page 7, line 2, strike the period and insert in lieu thereof: ": *Provided,* "hat funds in this Act shall be limited to services provided by the Stationery Room, the House Recording Studio, the House Barber shops, the House beauty salon, and each food service facility, that are operated on an annually self-sustsaining basis including costs of personnel employed in those entities."

Amendment 4–2: On page 7, line 2, strike the period and insert in lieu thereof: ": *Provided,* That none of the funds in this Act shall be available for salaries or expenses related to services provided by the House Recording Studio, the House Barber shops, the House beauty salon, each food service facility, and the House Stationery Room, except for an allowance for official stationery supplies."

Amendment 5–1: On page 2, line 15, strike the period and insert in lieu thereof: *": Provided,* That none of the funds contained in this Act shall be used to implement the

House Committee on Administration Order No. 30 of June 25, 1976, to increase the total allowances for any Member of the House of Representatives above the total allowances for which he would have been eligible prior to the issuance of that order."

Amendment 5–2: On page 2, line 15, strike the period and insert in lieu thereof: ": *Provided*, That none of the funds contained in this Act shall be used to increase the total allowances for any Member of the House of Representatives above the total allowances for which he would have been eligible prior to issuance of Committee on House Administration Order No. 30 of June 25, 1976."

Amendment 6: On page 2, line 15, strike the period and insert in lieu thereof: ": *Provided*, That none of the funds contained in this Act shall be used for increases in salaries of Members of the House of Representatives pursuant to Sec. 204a of Public Law 94–82."

Amendment 8: On page 4, line 11, strike the period and insert in lieu thereof: ": *Provided*, That none of the funds in this Act shall be used to provide or administer staff or consultant services for the Committee on House Administration in excess of the level in fiscal year 1976."

By Mr. SHIPLEY:

Page 2, line 15, after "$21,543,800" insert: ", *Provided*, That none of the funds in this Act shall be used to increase the compensation of members in excess of the annual rate of pay in effect on September 30, 1976".

Page 2, line 7, insert:

"For payment to Charles and Mildred Litton, father and mother of Jerry L. Litton, late a Representative from the State of Missouri, $44,600."

Page 7, line 18, strike the word "and" and on page 7, line 23, after "Representatives" insert the following: "; House Resolution 1368, Ninety-fourth Congress, establishing a Commission on Administrative Review in the House of Representatives; and House Resolution 1372, Ninety-fourth Congress, limiting the authority of the Committee on House Administration to fix and adjust allowances".

H.R. 14844

By Mr. VANIK:

Amendment No. 1: Beginning on page 3, strike out the rate schedule which follows line 9 and insert the following:

"If the amount with respect to which the tentative tax to be computed is:	The tentative tax is:
Not over $10,000	18 percent of such amount.
Over $10,000 but not over $20,000	$1,800, plus 20 percent of the excess of such amount over $10,000.
Over $20,000 but not over $40,000	$3,800, plus 22 percent of the excess of such amount over $20,000.
Over $40,000 but not over $60,000	$8,200, plus 24 percent of the excess of such amount over $40,000.
Over $60,000 but not over $100,000	$13,000, plus 27 percent of the excess of such amount over $60,000.
Over $100,000 but not over $150,000	$23,800, plus 30 percent of the excess of such amount over $100,000.
Over $150,000 but not over $250,000	$38,800, plus 33 percent of the excess of such amount over $150,000.
Over $250,000 but not over $500,000	$71,800, plus 36 percent of the excess of such amount over $250,000.
Over $500,000 but not over $750,000	$161,800, plus 39 percent of the excess of such amount over $500,000.
Over $750,000 but not over $1,000,000	$259,300, plus 41 percent of the excess of such amount over $750,000.
Over $1,000,000 but not over $1,250,000	$361,800, plus 44 percent of the excess of such amount over $1,000,000.
Over $1,250,000 but not over $1,500,000	$471,800, plus 48 percent of the excess of such amount over $1,250,000.
Over $1,500,000 but not over $2,000,000	$591,800, plus 52 percent of the excess of such amount over $1,500,000.
Over $2,000,000 but not over $2,500,000	$851,800, plus 56 percent of the excess of such amount over $2,000,000.
Over $2,500,000 but not over $3,000,000	$1,131,800, plus 60 percent of the excess of such amount over $2,500,000.
Over $3,000,000 but not over $3,500,000	$1,431,800, plus 64 percent of the excess of such amount over $3,000,000.
Over $3,500,000 but not over $4,000,000	$1,751,800, plus 68 percent of the excess of such amount over $3,500,000.
Over $4,000,000	$2,091,800, plus 72 percent of the excess of such amount over $4,000,000.

Page 16, line 8, strike out "$153,000" and insert in lieu thereof "$142,000".

Page 16, strike out lines 18 through 20 and insert: "1977, by substituting '$112,000' for '$142,000', and

"(B) in the case of a decedent dying during 1978, by substituting '$127,000' for '$142,000'."

Page 55, line 17, strike out "$345,800" and insert in lieu thereof "$386,200".

Amendment No. 2: Beginning on page 3, strike out the rate schedule which follows line 9 and insert the following:

"If the amount with respect to which the tentative tax to be computed is:	The tentative tax is:
Not over $10,000	18 percent of such amount.
Over $10,000 but not over $20,000	$1,800, plus 21 percent of the excess of such amount over $10,000.
Over $20,000 but not over $40,000	$3,900, plus 23 percent of the excess of such amount over $20,000.
Over $40,000 but not over $60,000	$8,500, plus 25 percent of the excess of such amount over $40,000.
Over $60,000 but not over $80,000	$13,500, plus 29 percent of the excess of such amount over $60,000.
Over $80,000 but not over $100,000	$19,300, plus 32 percent of the excess of such amount over $80,000.
Over $100,000 but not over $150,000	$25,700, plus 34 percent of the excess of such amount over $100,000.
Over $150,000 but not over $250,000	$42,700, plus 36 percent of the excess of such amount over $150,000.
Over $250,000 but not over $500,000	$78,700, plus 38 percent of the excess of such amount over $250,000.
Over $500,000 but not over $750,000	$173,700, plus 41 percent of the excess of such amount over $500,000.
Over $750,000 but not over $1,000,000	$276,200, plus 44 percent of the excess of such amount over $750,000.

"If the amount with respect to which the tentative tax to be computed is:	The tentative tax is:
Over $1,000,000 but not over $1,250,000	$386,200, plus 47 percent of the excess of such amount over $1,000,000.
Over $1,250,000 but not over $1,500,000	$503,700, plus 50 percent of the excess of such amount over $1,250,000.
Over $1,500,000 but not over $2,000,000	$628,700, plus 53 percent of the excess of such amount over $1,500,000.
Over $2,000,000 but not over $2,500,000	$893,700, plus 57 percent of the excess of such amount over $2,000,000.
Over $2,500,000 but not over $3,000,000	$1,178,700, plus 61 percent of the excess of such amount over $2,500,000.
Over $3,000,000 but not over $3,500,000	$1,483,700, plus 65 percent of the excess of such amount over $3,000,000.
Over $3,500,000 but not over $4,000,000	$1,808,700, plus 69 percent of the excess of such amount over $3,500,000.
Over $4,000,000	$2,153,700, plus 72 percent of the excess of such amount over $4,000,000.

Page 16, line 8, strike out "$153,000" and insert in lieu thereof "$142,000".

Page 16, strike out lines 18 through 20 and insert: "1977, by substituting '$112,000' for '$142,000', and

"(B) in the case of a decedent dying during 1978, by substituting '$127,000' for '$142,000'."

Page 55, line 17, strike out "$345,800" and insert in lieu thereof "$386,200".

FACTUAL DESCRIPTION OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House Rule X. Previous listing appeared in the CONGRESSIONAL RECORD of August 26, 1976, page 27914:

HOUSE JOINT RESOLUTIONS

H.J. Res. 1031. July 22, 1976. Post Office and Civil Service. Designates the John Philip Sousa composition known as the "The Stars and Stripes Forever" as the national march of the United States.

H.J. Res. 1032. July 26, 1976. Post Office and Civil Service. Authorizes and requires the President to issue a proclamation designating the week of October 17, 1976, as "National Credit Union Week."

H.J. Res. 1033.—July 27, 1976. Interior and Insular Affairs. Withdraws from all forms of appropriation under the mining laws and from disposition under all laws pertaining to mineral leasing and all amendments thereto; all minerals in a specified area within the Los Padres National Forest, California.

H.J. Res. 1034—July 27, 1976. Education and Labor; Post Office and Civil Service. Calls for the publication of economic and social statistics for Americans of East Asian or Pacific Island origin or descent.

H.J. Res. 1035.—July 28, 1976. Judiciary. Proposed an amendment to the Constitution of the United States to provide for a single six-year term for the President, and to limit to six the number of consecutive Congresses in which Senators and Representatives may serve.

H.J. Res. 1036.—July 28, 1976. Education and Labor. Authorizes and requests the President to issue a proclamation recognizing the contribution made by Americans who are working as school volunteers.

H.J. Res. 1037. July 28, 1976. Post Office and Civil Service. Designates the week beginning October 3, 1976, and ending October 9, 1976, as "National Gifted Children Week."

H. J. Res. 1038.—July 28, 1976. Post Office and Civil Service. Designates the week beginning on November 7, 1976, as "National Respiratory Therapy Week."

H.J. Res. 1039. July 30, 1976. Post Office and Civil Service. Designates the week beginning October 3, 1976, and ending October 9, 1976, as "National Gifted Children Week."

H.J. Res. 1040. August 2, 1976. House Administration. Authorizes the American Hungarian Bicentennial Monument, Incorporated, to erect a memorial in honor of the late Colonel Michael Korvats de Fabrici in the District of Columbia.

H.J. Res. 1041. August 2, 1976. Post Office and Civil Service. Designates September 8 of each year as "National Cancer Prevention Day."

H.J. Res. 1042. August 2, 1976. Post Office and Civil Service. Designates September 8 of each year as "National Cancer Prevention Day."

H.J. Res. 1043. August 2, 1976. Post Office and Civil Service. Designates September 8 of each year as "National Cancer Prevention Day."

H.J. Res. 1044. August 2, 1976. Judiciary. Proposes a constitutional amendment which provides that no law varying the compensation for the services of the Senators and Representatives shall take effect until an election of Representatives shall have intervened.

H.J. Res. 1045. August 2, 1976. Judiciary. Proposes a constitutional amendment to establish a Court of the States which shall have jurisdiction to hear and determine all cases arising under this or the tenth article of amendment to the Constitution, upon appeal from the Supreme Court.

H.J. Res. 1046. August 5, 1976. Judiciary. Proposes a constitutional amendment providing that the term of office of a Representative shall be four years. Limits the service of a Representative to three consecutive terms.

H.J. Res. 1047. August 5, 1976. Education and Labor; Post Office and Civil Service. Calls for the publication of economic and social statistics for Americans of Slavic origin or descent.

H.J. Res. 1048. August 10, 1976. Government Operations. Expresses the general policy of the United States Government to rely upon private commercial sources for the goods and services required to meet Government needs.

H.J. Res. 1049. August 10, 1976. Post Office and Civil Service. Authorizes the President to proclaim October 15 of each year as National Poetry Day.

H.J. Res. 1050. August 10, 1976. Judiciary. Proposes a constitutional amendment which provides that the term of office for Members of the House shall be three years. Limits to five the number of terms which a Representative may serve. Sets an age limit for Senators and Representatives.

SENATE—*Monday, August 30, 1976*

(Legislative day of Friday, August 27, 1976)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by Hon. JESSE HELMS, a Senator from the State of North Carolina.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Lord, our heavenly Father, almighty and everlasting God, who hast safely brought us to the beginning of this day; defend us in the same with Thy mighty power; and grant that this day we fall into no sin, neither run into any kind of danger; but that all our doings, being ordered by Thy governance, may be righteous in Thy sight; through Jesus Christ our Lord.

O Lord our Governor, whose glory is in all the world; we commend this Nation to Thy merciful care, that being guided by Thy providence, we may dwell secure in Thy peace. Grant to the President of the United States, and to all in authority, wisdom and strength to know and to do Thy will. Fill them with the love of truth and righteousness; and make them ever mindful of their calling to serve this people in Thy fear; through Jesus Christ our Lord, who liveth and reigneth with Thee and the Holy Ghost, one God, world without end. Amen.

—COMMON PRAYER.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).